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NEWS SUMMARY

GENERAL

Tories reveal migrant policy

The Conservative Party, unveiling its proposals to curb immigration, came out with what Mr. William Whitelaw, "shadow" Home Secretary, called a "tough but fair" policy.

A quota system and other measures to control the entry of relatives and male finances are included.

The measures were presented by Mr. Whitelaw to 2,000 delegates at the Leicester conference of the Conservative Central Council.

Clashing head-on with the Labour Party's immigration policy, as set out by the Government this week, they guarantee that the subject will provide a flashpoint between the two parties until a General Election. Back Page

Guerillas attack Rhodesia hotel

Nationalist guerillas attacked a hotel on the Gwai River 90 miles north of Bulawayo, killing one black employee and wounding two more, it was announced in Salisbury. At Chredzi, Mr. Simon Chengeta, a black member of the Rhodesian Parliament, was killed by guerillas who forced his son to hack him to death, security forces, stated.

£240,000 more for Royal Family

Civil List allowances to the Royal Family are to be raised by £240,000—an increase of 9.2 per cent.—in the coming year. The total allowances, including the £1.82m. charged directly on the Consolidated Fund, will be £2.86m. Allocation to individual members of the Royal Family are expected to be decided within a few weeks. Page 3

New moves likely in murder probe

New moves are expected early next week in the police investigation of the alleged plot to kill Mr. Norman Scott, a male model. Senior detectives are studying statements made by Mr. David Holmes, a personal friend of Mr. Jeremy Thorpe, the former Liberal leader, and Mr. John Le Mesurier, a Welsh businessman, in connection with the allegations and other information. It seems likely that more men are to be questioned at length.

UN retreat

Norwegian peace-keeping troops abandoned a southern Lebanese village when Palestinian guerillas fired at them, the UN said in Jerusalem.

Details of the incident are being studied by Israel, whose forces are scheduled to begin a limited withdrawal from the region on Tuesday. Lebanon, Page 2

Genoa shooting

The Red Brigades struck again in Italy yesterday when two masked gunmen shot and wounded Sig. Felice Schiavetti, 50, president of the Genoa Industrialists' Association. Page 2

Lloyd's inquiry

Lloyd's of London launched an inquiry into allegations made in the Commons by Mr. Jonathan Aitken that pressure had been brought on its underwriters to settle a fraudulent claim.

Rain in Spain

More rain will fall on Spain, mainly in the plains of the north-western Valladolid province, if a cloud-seeding experiment is successful, the World Meteorological Organisation said in Geneva.

Briefly . . .

New York dealer Martin Breslauer paid $2.2m. at Christie's for a Gutenberg bible on behalf of the The General Theological Society.

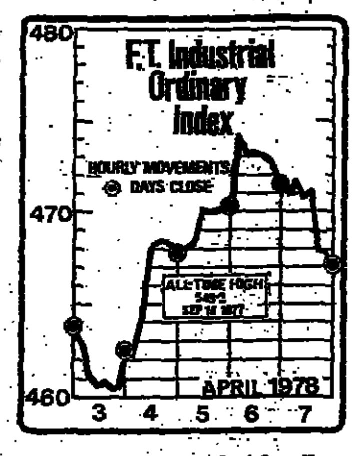
Sir Charles Clore, 73, is to sell his 2,000-acre estate at Style near Hungerford, Berks. Bids of at least £2m. are expected.

Employers should segregate smokers in the interest of efficiency, a York psychological conference is to be told to-day. Page 3

BUSINESS

Equities down 4.3; gilts lose

● EQUITIES drifted lower after news that Spillers was to pull out of baking bread. FT 30-Share Index closed 4.3 off at 467.1, an improvement of 3.3 on the week.



● GILTS at the short end had losses ranging from ⅛ and at the long end to ⅜, which left the Government Securities Index 0.27 lower at 73.96.

● STERLING traded quietly and closed at $1.8745 up five points. Its trade-weighted index was unchanged at 62.2. Dollar's trade-weighted depreciation narrowed to 6.42 (6.19) per cent.

● GOLD closed at $179.375 ($180.125).

● WALL STREET was up 4.07 at 768.02 near the close.

● BARCLAYS BANK won agreement with the 30,000 in its staff association to experiment with flexible working, including late-night and early opening hours, new bureaux-de-changes and co-operation in a review of branches. Page 3

● MANUAL workers at Leyland Cars voted by more than 2 to 1 to reject the company's planned incentive scheme which offered up to £8 a week bonus. Back Page

● BRITISH AIRWAYS is expected to recommend to the Government that it should be allowed to buy up to 20 Boeing 737 short-haul jetliners, seating up to 120 each, at a cost of more than £100m. Back Page

● EASTERN AIRLINES' deal will give renewed impetus to the argument over whether the U.K. should rejoin the Airbus Industrie group on a formal Government basis, rather than continue its association solely as a sub-contractor, as at present. Page 4

Lonrho still after SUITS

● LONRHO decided to go over the heads of directors of Scottish and Universal Investments who voted to reject its bid approach —which values the company at £39m.—and put the same offer direct to SUITS' shareholders. Back Page

● KELLOGG is to change its system of trade discounts to relate them more closely to delivery costs. Some big supermarket groups, such as Fine Fare and Tesco, probably will have to pay a surcharge for deliveries even if these are part of large quantity orders. Page 4

● SHIPPING investment of £300m. may be jeopardised by moves within the EEC to limit the amount of New Zealand lamb imported into the U.K., say shipowners whose vessels serve the trade. Page 4

COMPANIES

● STAFLEX International propose to dispose of assets worth £2.3m. to reduce short-term borrowings. Page 16

● NATIONAL Enterprise Board is to step up its holding in the voting capital of Cambridge Instrument—which already has received about £7.5m. of public funds—to about 80 per cent. after an increased pre-tax loss of £2.94m. to last June by the company. Page 16

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES		
Assoc. Brit. Foods	61	+ 3
Austin (J.)	115	+ 3
Bertrams	28	+ 6
Black (A. & C.)	95	+ 7
Dowty	181	+ 4
Edbro	146	+ 5
Haden Carrier	101	+ 7
Helical Bar	33	+ 8
Maynards	134	+ 6
Olives Paper Mill	38	+ 7
Ratners	101	+ 4
Reed (Austin)	84	+ 4
Sale Tilney	212	+ 7
Sharna Ware	80	+ 5
Taylor Pallister	84	+ 3
Turner Manf.	109	+ 6
Wheatsheaf	194	+ 26
Weeks Nat. Res.	120	+ 8
EZ Industries	190	+ 5
Tasminex	55	+ 5
FALLS		
Exchequer 10½% 1995	£90	— ⅜
Bass Charrington	153	— 4
GEC	247	— 5
Glaxo	327	— 8
GUS "A"	288	— 8
ICI	358	— 4
Sotheby	251	— 7
Spillers	27½	— 5
Staflex	13	— 3
Afrikander Lease	165	— 105

Spillers' decision to end baking costs 8,000 jobs

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

Spillers is to pull out of the bread industry after six years of mounting losses. It is closing 23 of its 36 bakeries making almost 8,000 workers redundant. The remaining 13 bakeries will be divided between Ranks Hovis McDougall and Associated British Foods.

The two companies, Spillers' main competitors in the baking industry, are buying the bakeries at their asset value and so almost covering Spillers' £16m. redundancy bill. They will keep on some 5,000 workers.

They have also undertaken to buy some of their flour from Spillers which will continue to operate its milling division as well as retaining its cake-baking and other food interests.

The Government has accepted the deal as being preferable to the wholesale closure of all Spillers' bakeries and the consequent impact on employment and, possibly, bread supplies.

No written job guarantees are being given but AB Food and RHM have given the Government assurances that the bakeries being acquired will stay open at least a year.

Ministers were informed of the plan only on Monday and would undoubtedly have preferred to delay an announcement until after next week's by-election in Scotland where 750 jobs will be lost.

The move was immediately attacked by Mr. Bruce Millan, Scottish Secretary. The company had failed to allow sufficient time for consultations with the Government or the unions involved, he claimed.

The unions were told of the decision only yesterday afternoon. The Bakers Food and Allied Workers Union is to hold an emergency meeting next week.

Spillers, the smallest of the "big three" plant bakers with 16 per cent. of sales, has lost £28m. on bread over the last six years.

Last year alone, after the bread strike and the stepping-up of the discount war, the company lost more than £9m. on bread.

The company yesterday published its unaudited results for the year to January 28. These show that for the group as a whole, pre-tax profits had fallen from £16m. in 1976/77 to nearer £8m. last year.

The big drop came in the second half of the year when the problems on the baking side increased. As a result, the final dividend is being cut from 1.94025p per share to 0.525p.

Profitable

Neither of the other two companies is at present making any money on bread, though their losses are far smaller than those of Spillers. Both have profitable milling divisions.

All the companies suffer from the same problems, namely overcapacity in the industry, falling demand and the pressure from retailers to increase the size of their trade discounts.

The closures will cut the total bread-making capacity in this country by about 10 per cent. and may make it easier for the remaining companies to take a tougher stand with the retailers.

This could in turn lead to higher average bread prices, though it should ensure that supplies are maintained through the country and the plants are utilised more efficiently.

Last night, RHM, which is to spend £10.74m. on buying seven bakeries employing 3,000 people, warned that, although the closures would help the industry move out of the red, "more than that would be necessary to get it back to a sound profit position."

Further increases in the price of bread—now standing at 28½p —would be needed if inflation continued.

Spillers is to raise another £4.26m. by selling six bakeries to ABF, the largest of the big bakers. About 2,000 workers are employed at these plants.

On top of the estimated £16m. for redundancy payments, Spillers may have to make further provisions for writing off the assets of the bakeries which are to be closed

Mr. James Prior, Opposition employment spokesman, described Spillers' decision as a "further blow to an already disastrous unemployment position."

Mr. Jackson Moore, general secretary of the United Road Transport Union, blamed the bread pricing policy of Mr. Roy Hattersley, Prices Secretary, for the closure.

Feature Page 15

Living standard highest since early 1975

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

LIVING STANDARDS have been rising sharply as a result of income-tax cuts and higher real earnings, and are likely to be given a further significant boost by Tuesday's Budget proposals.

Official figures published yesterday also show that the financial position of industry improved substantially in the second half of last year to its healthiest state since 1972.

In the final three months of last year, average living standards, as measured by real personal disposable income, were at their highest level since the beginning of 1975.

This followed a rise of 4.8 per cent. compared with the July-September quarter to £10.61bn. (at 1970 prices, seasonally adjusted). Over 1977 as a whole, real disposable incomes fell by 1.2 per cent.

The late autumn tax cuts and rebates coupled with the uprating of social security benefits, have exaggerated the underlying rate of improvement. But a further rise in real disposable incomes is likely in the current half as pay rises come through and the rate of price inflation slows, leaving aside any further tax cuts.

The initial response to the increase in living standards was a sharp rise in the percentage of income saved. Consequently the personal savings ratio increased from 12.8 to 16.1 per cent. between the third and fourth quarters. The average level was 14.5 per cent. last year.

The expectation among economists is that the savings ratio will fall from the exceptionally high fourth-quarter level and that most of the rise in real incomes will be reflected in higher consumer spending.

These figures are disclosed in the national income and expenditure statement published by the Central Statistical Office, which shows that in the second half of last year industrial and commercial companies had a surplus of undistributed income after financing tax, dividends, capital expenditures and stocks for the first time in five years.

This amounted to £186m. (spread between the two quarters) compared with a deficit of £1.94bn. in the first half of 1977, and a deficit of £1.03bn. in 1976 as a whole.

The turn-round occurred in spite of a significant slowdown in the rate of growth of profits during 1977 and was mainly the result of the impact of the lower rate of price inflation and a reduction in the previously high level of physical stocks.

Continued on Back Page

LIVING STANDARDS

		Real personal disposable income at 1970 prices	Personal savings ratio*
		£m.	
1975		41,703	15.4
1976		41,609	14.9
1977		41,038	14.5
1976	1st	10,458	15.8
	2nd	10,300	14.7
	3rd	10,498	15.4
	4th	10,353	13.8
1977	1st	10,312	15.1
	2nd	10,035	13.9
	3rd	10,126	12.8
	4th	10,615	16.1

* Saving as a percentage of disposable income. All seasonally adjusted.
Source: Central Statistical Office

Linfood bids for Wheatsheaf

BY JAMES BARTHOLOMEW

LINFOOD Holdings, the food-wholesaler which dominates the Spar voluntary group of independent shops, yesterday made an agreed £34m. takover bid for its rival, Wheatsheaf Distribution and Trading, which serves most of the shops in the VG group, the other main voluntary group in the grocery business.

Wheatsheaf is one of the pioneers of hypermarkets in Britain through its association with the French Carrefour group. It and Linfood control 16.4 per cent. of the cash-and-carry grocery wholesale market and 11.8 per cent. of the delivered wholesale market. The combined companies estimated share of the grocery market would be more than that of several well-known supermarket chains.

The merger is designed to buttress defences against what Mr. David Linnell, chairman of Linfood, described yesterday as "the fundamental shift in the food retailing business." The price war started by Tesco was still going strong nearly a year later.

The battle was not just on price, but also on advertising. The supermarket groups had increased their advertising dramatically and the main wholesalers to the "symbol" groups, Spar and VG, had to merge to be big enough to fight back.

The merger was also intended to improve the buying clout of the companies and produce rationalisation of the distribution systems. The savings made are not likely to get as far as the consumer. They will remain mostly with the wholesalers and retailers.

Both companies forecast yesterday that their profits for 1977-78 would be down on the previous year, although they were "confident that the worst effects of the competition are now being contained."

Lex, Back Page

Carter seeks Soviet deal over N-bomb

BY DAVID BELL WASHINGTON, April 7.

THE U.S. was deferring immediate production of the neutron bomb and would be watching closely to see whether the Soviet Union was prepared to respond to its decision, President Carter said to-day.

Mr. Carter said after a week of intense speculation about the future of the controversial weapon that he had consulted closely with America's NATO allies and had instructed the Defence Department immediately to begin work on modernising the Lance missile and the eight-inch artillery shell that would carry the neutron weapon.

Administration officials said that it would take about two years to re-design both these weapons to the point where they would be ready to take the neutron bomb, which is designed to kill people with large doses of radiation while causing relatively little damage to property.

Thereafter, the U.S. would still have the option to produce the neutron weapon "without undue delay."

But the officials made it clear that the administration is hoping that American "restraint" on the weapon may induce the Soviet Union to respond in kind, possibly by restricting production of the medium-range SS20 missile shortly to be deployed in the Warsaw Pact countries.

Summit hope

The President is clearly hoping that by deferring a decision on a weapon that has been bitterly attacked by the Russians he will demonstrate to them that he is negotiating the strategic arms agreement in good faith.

The American hope is that this may be enough to get these negotiations going again and that it could lead to a summit meeting of some type between President Leonid Brezhnev and President Carter as early as next month.

The President said that the ultimate decision to deploy the neutron weapon "will be influenced by the degree to which the Soviet Union shows restraint in its conventional and nuclear arms programmes and force deployments affecting the security of the United States and Western Europe."

Officials insisted that to-day's decision was not a last-minute change of heart by the President caused by the furore after reports earlier in the week that he planned to scrap the weapon.

They said that the reports were "simply erroneous and bad reporting, albeit in good faith." But no attempt was made to deny the fact that about two weeks ago President Carter was at least leaning towards an outright ban on the weapon.

However, the officials said that his discussions with Dr. David Owen, the British Foreign Secretary, Mr. James Callaghan, the British Prime Minister, and Herr Hans Dietrich Genscher, the West German Foreign Minister, all of whom have been to Washington within the past two weeks or so, had played an important part in influencing the final decision.

It was pointed out that the Russians can now be in no doubt that if the U.S. does decide to produce the weapon it will have a "unified alliance" behind it, and it will also be clear that production of it follows the failure of the Soviet Union to show corresponding restraint.

The officials would not be drawn on what would be "appropriate" Soviet concessions in return, but they referred on several occasions to the SS20 and also to the question of weapons systems that are involved in the SALT talks (which the SS20 is not) but which are targeted at Western Europe.

'Indecision'

It remains to be seen whether Congress would necessarily agree that concessions of this kind were an adequate return for giving up the neutron weapon, which has come in the last few days to be a symbol in the minds of many of the need for the U.S. not to give away real advantages in return for empty Soviet concessions.

Margaret Van Hatten writes from Brussels: The U.S. announced President Carter's decision to its allies within NATO at a meeting of NATO Ambassadors here to-day.

Dr. Joseph Luns, NATO Secretary-General, said afterwards that the allies "expressed understanding" for the decision. But they reiterated concern at the increasing offensive capabilities of Soviet conventional forces and the continuing expansion and improvement of offensive Soviet nuclear forces.

● In London, the Government said it supported President Carter's decision, which rightly set the issue in the context of arms control and the balance of forces on both sides.

The Downing Street statement said the Soviet Union "should now respond to the President's decision by measures to moderate the threat which we see from the scale of their build-

Continued on Back Page

£ in New York

—	April 6	Previous
Spot	$1.8760-8760	$1.8750-8770
1 month	0.04 dis-0.01 pm.	0.08-0.03 dis
3 months	0.17-0.12 dis	0.19-0.14 dis
12 months	11.30-1.15 dis	1.35-1.20 dis

Leaders of EEC agree election dates

By Guy de Jonquires and David Buchan

COPENHAGEN, April 7.

HEADS of the nine Common Market Governments agreed to-day that the first set of direct elections to the European Parliament should be held from June 7 to 10 next year.

Polling day in Britain will be on Thursday, June 7, and other countries will vote on the week-day on which their national elections are traditionally held. Votes will not be counted until polling is completed in all nine countries.

The date of the elections has technically been agreed only in principle, and must be confirmed after legislation has been approved by the nine countries. But none of the Government leaders meeting here for two-day European Council "summit" to-day expressed doubts that this process would be completed on time.

Most of the EEC leaders would have preferred to hold the elections in May next year, but bowed to the wishes of Mr. James Callaghan, the Prime Minister, and Chancellor Helmut Schmidt, the West German Chancellor, who wanted them in June.

The future parliament will have 410 members, of whom 81 will be British, and will replace the existing 196-seat assembly, to which members are nominated from national legislatures.

Declaration

Decisions have yet to be taken on its future site, the salaries of directly-elected Euro-MPs, and on the powers of the new parliament.

EEC leaders also approved a declaration re-affirming commitment to the principles of representative democracy and human rights.

The statement aims to underpin democratic systems, both in the existing members of the EEC and in Greece, Portugal and Spain, which are seeking to join the Community. A reference to it is to be included in the preamble of the accession treaties to be signed by states on entry to the EEC.

The declaration defines democracy in general terms, emphasising the need to "insure that the cherished values of (the nine's) legal, political and moral order are respected and to safeguard the principles of representative democracy, of the rule of law, of social justice and of respect for human rights."

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Cuban forces reinforced in Eritrea

BY MARTIN DICKSON

CUBA IS SENDING moretroops into the Ethiopian province of Eritrea and there is evidence that they have now been involved in fighting guerilla rebels there, according to the U.S. State Department.

The reports come in spite of "concern" over the possibility of such a build-up expressed by Mr. Jimmy Carter, the U.S. President, last week-end and the strong warning by Dr. David Owen, the British Foreign Secretary, on Wednesday night that East-West relations would be adversely affected if the Soviet Union and Cuba became heavily committed to a campaign on behalf of the Addis Ababa Government against the Eritrean guerillas.

In Rome, a spokesman for one of the guerilla movements, the Eritrean People's Liberation Front (EPLF), said it believed Ethiopia was about to launch a three-pronged attack in an attempt to regain full control of the province, which is largely under the control of the secessionists.

The spokesman estimated that one attack could come from the province of Tigre, along two roads leading from Addis Ababa to Asmara, the Ethiopian-held capital of Eritrea, and a second could take the form of a new attempt to break the guerillas' siege of Asmara. A third attack could come from the sea, with the Eethiopians either trying to break out of the besieged city of Massawa or dropping paratroops inland.

The U.S. believes there are 16,000 Cuban troops in Ethiopia and 1,000 Soviet military advisers. Last week-end U.S. officials said a few Cuban units had apparently been despatched to Eritrea and that there were inconclusive indications they might eventually be extensively involved there.

The State Department now says it has information that "the number of Cuban military personnel in Eritrea is increasing and there is evidence they have been engaged in combat."

Calling on the Ethiopians and Eritreans to settle their dispute through negotiations, it added that "the imposition of a military solution (in Eritrea) through the use of foreign forces would only increase the bloodshed and suffering, would not be durable and would not contribute to a reduction in regional tensions."

The State Department echoed Dr. Owen's speech on Wednesday, but it is difficult to see what the U.S. or British Governments are willing or able to do to follow up their criticism of Soviet and Cuban intervention with practical pressures.

Meanwhile, diplomatic rumblings over Dr. Owen's speech continue. The Cuban Foreign Ministry delivered a strong statement to the British chargé d'affaires in Havana in Thursday designed to rebut the Foreign Secretary's "inappropriate and uncalled-for speech."

It said that Dr. Owen had "acted irresponsibly and in bad faith by re-echoing all the usual imperialist lies" about Ethiopia. Furthermore he had "also misrepresented the position of Cuba in regard to Zimbabwe (Rhodesia) and Namibia by creating a hypothetical danger with his suggestions that Cuba will try to offer a military solution to the problems of these countries with the participation of Cuban troops."

Dr. Owen, it said, had made these "grossly untrue statements" despite the fact that the British Government had been made fully aware of Cuba's position.

China's economic success bodes well for eight-year targets

BY K. K. SHARMA IN PEKING, APRIL 7.

CHINA HAS made impressive strides in key sectors of the economy in the first quarter of this year compared with the same period of last year. Officials say this augurs well for achieving the targets for the next eight years announced last month at the fifth National Congress of the Communist Party.

The major gains have been made in steel production, which increased by 20 per cent. and crude output, which went up by 10 per cent. in the first quarter without any additional investment.

However, power remains a constraint, in spite of the rise in coal production by nearly 23 per cent. in the quarter. And transport is a worrying problem, since lack of carrying capacity has meant that coal is accumulating at pitheads.

In spite of this thermal generation in the quarter increased by 8.5 per cent. over the last quarter of 1977 although January to March are months when electricity generation should be at its lowest.

Substantial improvement in production has been achieved in light industry. Textiles output, for example, increased by 40 per cent. in the first quarter. Synthetic fibre increased by an impressive 170 per cent., while cotton yarn and piece goods increased by 33 per cent.

Officials say that the situation is "extremely favourable" and that the economy is poised for rapid growth. They say that they expect agricultural production to rise by about 5 per cent. every year for the next eight years and industrial output by about 10 per cent. in the same period.

The snags were that the "pernicious influence" of the Gang of Four remains in many areas and that a large number of people are confused by what are apparently contradictory teachings by the Gang and the present leadership.

In industry the weak points are power, raw materials, fuel and mining for non-ferrous metals. Agricultural production must improve, the officials say, otherwise the entire economy would be pulled down since China remains basically an agricultural country.

The Government hopes that by 1981 a third of China's 2,200 counties (the smallest administrative unit) will become like Tachai in Shansi province, the model for all communes and which has made impressive strides in the last two decades in spite of the "sabotage" by the Gang of Four.

The "four principles of modernisation," which were enniciated at the National Congress, involve an investment in the next eight years that will equal that made in the 28 years since the War of Liberation.

The main agriculture tar[get] is to raise grain producti[on] from the present 280m. t[ons] annually to 400m. tons, and increase steel production fr[om] the present 20m. tons to 6[0m.] tons by 1985.

This will involve establish[ing] 12 new large grain produc[ing] areas, 120 large industrial p[ro]jects, including 10 new st[eel] plants, eight new coal min[es,] 10 oil and natural gas fie[lds] of the size of Taching, super power stations, six tr[unk] railways and five import[ant] new ports.

Israel plan to withdraw 'a trick'

By Ihsan Hijazi

BEIRUT, April 7.

A SPOKESMAN of the Palestinian Liberation Organisation (PLO) to-day dismissed as a "bluff and a trick" the announcement by Israel that it is planning a two-stage partial withdrawal from southern Lebanon on April 11 and 14.

The Palestinian reaction is coupled with suspicions on the Lebanese left that the Israelis intend to turn the area from which they pull out over to their Lebanese Christian supporters.

Eyewitnesses reported that the Norwegian contingent of UN forces to-day came under mortar fire at their position at the Khardaly Bridge over the Litani river in the south-east of the country.

Yesterday, men of the Israeli-backed Christian militia, commanded by Major Saad Haddad, disarmed a number of Norwegian soldiers in the Khardaly area and refused to return the weapons when the UN command contacted the Lebanese commander.

Under the reported terms of the Israeli plan submitted to UN command in the Middle East yesterday, the Israelis will evacuate one quarter of the 450 square miles they have occupied in southern Lebanon.

As for the UN forces, about half of the promised 4,000 troops have taken up positions in the south. According to reports in the Press to-day, the UN forces have decided to set up headquarters at Zahrani, about 20 miles north of Tyre.

Internal Namibia deal attacked

AN INTERNAL settlement in Namibia (South West Africa) would lead to further violence and the intervention of outside orces in the territory, Mr. Don McEnry, deputy U.S. Ambassador to the United Nations, warned yesterday. Quentin Peel writes from Johannesburg. In an appeal to the parties involved in the Western intiative for an internally-acceptable settlement, Mr. McEnry said the proposals were not perfect, but were an effort to reconcile differences and overcome the "alreadyp unbelievable mistrust" present in the territory.

ANC sentences

Six men convicted of acts of terrorism and conspiring to overthrow the South African Government were sentenced in the Pretoria Supreme Court to-day to jail terms totalling more 70 years, but a prosecution request for the death sentence was overruled by the judge, our Johannesburg correspondent reports. The six, who were found giulty of furthering the aims of the banned African National Congress, gave black power salutes and shouted "amandla" (power) a ter they were sentenced. The cry was echoed by blacks in the gallery.

Swiss prices

The Swiss consumer price index rose by 0.1 per cent. again last month and was thus 0.5 per cent. higher than in September, 1977, when the inflation index elements were revised, John Wicks writes from Zurich.

Philippines election

Polling in the Philippines first elections under martial law ended without major incident yesterday, despite some scuffles near voting booths and a noisy demonstration last night by opposition supporters, Reuter reports from Manila. President Marcos warned opposition candidates they could be arrested if there was any violence. He told newsmen, however, that he had ordered security forces to exercise restraint.

Turkey debt talks

The restructuring of Turkey's large debts and obtaining fresh money will be among the topics which will be discussed at a meeting between the Turkish central bank and six major international bnks, in Ankara next week, bnking sources said yesterday, Metin Munir reports from Ankara.

Anti-EEC drive

The People's Movement Against the EEC is well on its way to acquiring enough signatures in Denmark to qualify to field candidates in the direct elections to the European Parliament next year, according to the movement's newspaper, Hilary Barnes reports from Copenhagen. A party can only put up candidates if it can obtain 62,000 signatures. The movement claims that it has 50,000.

Nicaraguan probe

President Anastasio Somoza Debayle has named a seven-man commission, including the Archbishop of Managua and three other personalities independent of the Government, to investigate the murder of opposition newspaper editor Pedro Joaquin Chamorro last January, Reuter reports from Nicaragua.

RED BRIGADES IN ITALY

Leading Genoese businessman shot

BY PAUL BETTS

ROME April 7.

RED BRIGADE terrorists, currently claiming to hold the President of the ruling Christian Democrat Party, Sig Aldo Moro, five times Prime Minister, gunned down and wounded in Genoa to-day the president of the city's employers association.

The shooting comes after a concerted wave of bombings in Rome and Turin during the last 48 hours which have caused severe damage to a branch of the Banco Di Roma, and a Rolls Royce showroom.

Sig. Felice Schiavetti (50), chairman of a Genoa engineering company employing 300 people with an annual turnover of £4.5m. was "kneecapped" on his way to work this morning by urban terrorists who, in a telephone call to a local newspaper, claimed responsibility for the attack against whom they termed "a lackey of the state."

Sig Schiavetti was the fifth target of the terrorist group in Genoa since last June, and the second victim of the Red Brigades since Sig Moro was kidnapped three weeks ago in a bloody ambush here in which five policement were assassinated.

On Good Friday, the former Christian Democrat Mayor of Turin, Sig Giovanni Picco, was seriously wounded by Red Brigade extremists in Turin where the "historical leaders" of the Red Brigades are on trial.

In a related development, Signora Eleonora Moro, wife of the Christian Democrat President, addressed a letter to her husband published to-day in the Milan daily "il Giorno."

Signora Moro said the family of the Christian Democrat President had so far received no signs giving them hope that Sig. Moro would return safely home. However, she added: "We would like him to know that we are close to him and living with him, moment by moment, every hour of these very long days . . . and we believe, after so much suffering, that it is still possible to have him back with us."

Sig. Moro is purported to have written a letter from his captivity to his family saying he was in good condition. Other letters apparently written by Sig. Moro have been sent to leading Christian Democrat Party members, but they are generally regarded as having been written under the influence of drugs or under duress.

In a television interview, in part addressed to the Moro family, the Secretary General of the Christian Democrat Party, Sig. Denigno Zaccagnini, reiterated the Government's attitude of no surrender to the terrorists but added: "This does not change the human tragedy that we are all suffering."

But although the ruling party, together with the country's other political forces including the Communists, have rejected any possible deal with the ultra-Left group, some Christian Democrat members are reported to be favourable for "trying for a deal on humanitarian grounds."

The Italian Communist leader, Sig. Enrico Berlinguer, whose party is directly supporting a Christian Democrat minority Government for the first time in 30 years, said in another television interview that the current wave of political violence was to be expected. It was clear, Sig. Berlinguer said, there would be attempts "to obstruct the current political transformation" of the country.

For their part, the Red Brigades in their flood of communiques have asserted their aim is "to bring down the State or to force the State into self-destruction."

Their attack is not only directed against the Christian Democrats but also against the Communists, who, they claim, have "betrayed the revolution" by, among other things, reaching an accord with the ruling party.

By their attempts to discredit Sig. Moro and by stepping up their policy of violence, it is widely held here that the Red Brigades are trying to induce the State to swing back to the reactionary and repressive policies of the 1920s.

The so-called "alternative left" has reacted angrily against the mass police and army round-up of suspect Red Brigade sympathisers this week, and has announced its intention of holding a series of protest demonstrations this week-end in Rome despite an official ban.

Bonn terrorism debate

BY JONATHAN CARR

BONN, April 7.

THE West German Bundesrat—the upper house of parliament—to-day rejected a proposed new law to combat terrorism, raising the prospect of a new, tough test for Chancellor Helmut Schmidt's coalition.

The anti-terrorism measures were already passed by the Bundestag—the lower house—in February, but with a majority of only one. Four members of the ruling Social Democrat Party (SPD) voted against, on grounds the steps undermine basic freedoms.

The Bundesrat, on the other hand, is dominated by the CDU-CSU alliance which is in the minority in the lower house. The CDU-CSU to-day voted against the new measures on grounds they are too weak.

The procedure now is that the Bill must go back to the Bundestag—probably next Thursday—and be passed there by a simple majority of all members if it is to become law. That means those SPD deputies who voted against it before must support it this time. There are fair chances of this but the outcome is by no means certain.

Australia cuts plans for bigger air force

By Kenneth Randall

CANBERRA, April [7.]

THE AUSTRALIAN Governm[ent] has sharply downgraded its [plans] for a new tactical fighter fo[rce.] The main points of a new [air] force re-equipment progra[m] announced to-day are that [the] present force of Mirage III aircraft will be refurbished [to] extend their service life [and] plans for replacement air[craft] are reduced from two squad[rons] to one.

The two-squadron project [was] expected to cost about $A1[...] $A1,500m at current prices. [The] reduced commitment will [cost] around $A500m.

Mr. Jim Killen, the Def[ence] Minister, told Parliament to[-day] that further evaluation of [new] aircraft would be confined t[o] air-to-air types; the McDon[nell] Douglas F15 and F18A, the N[orth]rop F18L, General Dynamics [F16,] the Panavia Tornado, and Dassault-Breguet Mirage 20[00.]

He said that to help the [Gov]ernment confirm a short lis[t of] new fighters for the air-t[o-air] role, a Defence Department t[eam] would make an extensive [over]seas visit within the next [few] weeks. The Minister said [the] Government should be abl[e to] settle on a detailed progra[m] for the Mirage refurbishmen[t by] the end of this calendar [year.] This would maintain the [capa]bility of the aircraft beyond [the] mid-1980s.

Our correspondent writes: [The] Federal Government gave n[otice] in Parliament to-day of six [Bills] which will provide the legisla[tive] basis for its administration [of] uranium development in [the] Northern Territory. The [Bills] will be formally introduced [next] week and are expected to [take] about a month to pass thr[ough] all stages of the two House[s of] Parliament.

Leakage of details to the P[ress] has prompted a speeding-u[p of] the Government's timing for [the] Bills. They fall into three b[road] categories covering safety, [con]servation and aboriginal [land] rights.

● Official figures released to show a fall in Australia's re[corded] level of unemployment. The [two] sets of statistics vary in t[heir] measurement of both the fall [and] the resulting level of unem[ploy]ment, but the figures are [the] first for several months to [give] the Government any encour[age]ment about the state of [the] labour market.

According to the Austra[lian] Bureau of Statistics, based o[n a] monthly population survey, [the] unemployment rate in March [was] 6.6 per cent. (421,000 peo[ple]) compared with 7.4 per cent [in] February (477,000 people).

Pessimism the keynote at Brazil steel meeting

BY DIANA SMITH

RIO DE JANEIRO, April 7.

THE world's steel majors are not thinking of too long range plans. Europe and Japan have the greatest cause for resigned pessimism; North America is feeling somewhat stronger, and the emerging Latin American steel industry is the most confident of all.

These were the broad views expressed by 30 chairmen, vice-chairmen or directors of companies like the British Steel Corporation, U.S. Steel, Canadian Steel, Swedish and German Steel, who met in Rio de Janeiro on April 6 with such discretion that their presence passed almost unnoticed.

Leading members of the International Iron and Steel Institute like Sir Charles Villiers, chairman of BSC, were ready to voice their thoughts to the Financial Times.

The essence of the world steel problem it was explained at the conference was the forecast early in the 1970s of a steady upward trend in demand.

At the moment little more than 65 per cent. of available world capacity is being used. For particular countries the figure is lower. The upsurge of protectionism, particularly the U.S. trigger prices which mean the American majors can arrange prices more flexibly than EEC members, has made matters worse.

Vance plea on Turkey arms ban

Mr. Cyrus Vance, the U.S. Secretary of State, yesterday urged Congress to lift its three-year embargo on arms supplies to Turkey and warned that, if it does not do so, there w[ill] be every reason for deep concer[n about] the continuing "effectiveness of NATO's southern flank" in which Turkey plays a key role, David Bell writes from Washington. Mr. Vance said that the embargo has served its purpose and that the Administration remains deeply committed to finding a solution on Cyprus as a high priority. But he told members of the House International Relations Committee that ending the embargo should not be conditional on reaching a solution to the Cyprus question.

Burnham visit

Britain is on the itinerary of a four-nation official tour by Mr. Forbes Burnham, the Guyanan Prime Minister starting Tuesday, our Georgetown correspondent writes. He will visit the Soviet Union for a week, then move on to North Korea and East Germany before arriving in London where he will hold talks with Prime Minister James Callaghan, an official statement here has said.

U.S. employment expands

BY JUREK MARTIN

WASHINGTON, April 7.

EMPLOYMENT IN the U.S. continued significantly to expand in March, a development that overshadowed a slight increase in the number of people out of work in the month.

The civilian labour force grew by about 320,000 in the month to 99.4m., with the number of people in jobs rising by about 260,000 to 93.3m., seasonally adjusted.

The 6.1m. left unemployed represent 6.2 per cent. of the labour force, fractionally up on the 6.1 per cent. rate of February but below January's 6.3 per cent. The percentage difference between February and March, the Labour Department said, was simply due to the "rounding up" of the numbers.

The strength of the labour markqet reflects the underlying vigour of the economy. The severe winter and the coal strike appear to have had very little impact on the employment picture. In fact, over the last 12 months up until the end of last month about 3.5m. new jobs have been created.

Among the unemployed, there were no changes in the principal categories, with 4.5 per cent. of adult males, 5.8 per cent. of adult women, and 17.3 per cent. of teenagers out of work. The only substantial demographic shift occurred among black adult women, whose unemployment rate went up to 11.4 per cent. from 10.1 per cent.

New York pay rise concern

By David Lascelles

NEW YORK, April 7.

MR. MICHAEL BLUMENTHAL, Secretary of the U.S. Treasury, has written to Mr. Ed. Koch, the Mayor of New York, expressing concern over the city's latest wage settlement which gave a 6 per cent. pay increase to transport workers and set a precedent for pay talks with unions representing thousands of other municipal workers.

Mr. Blumenthal says it is unclear to him how New York can afford such a settlement and still remain within the four-year budget which it has proposed as a way out of its financial crisis. It has been estimated that the final labour bill could work out at some $900m.

Mr. Blumenthal adds that if New York's finances are really improving, as Mayer Koch says they are, the money should be used to relieve the debt burden rather than increae labour costs. The crunch of the Treasury Secretary's letter came with an indication to Mr. Koch that his dealings with the unions could affect Congress approval of his financial rescue plan unless they were speedy and responsible.

New trade demands on Japan by U.S.

TOKYO, April 7.

MR. NOBUHIKO USHIBA, Japan's External Economic Affairs Minister, is expected to discuss new U.S. requests for tariff cuts by Japan when he meets U.S. special trade representativ Mr. Robert Strauss in Geneva next week, foreign ministry sources said.

They said that in the current Geneva-based multilateral trade negotiations (MTN), the U.S. has asked Japan to increase its proposed tariff reductions on about 500 items. These include computers and related parts, colour film, machinery, new ferrous metals and chemicals.

They declined to comment on how Ushiba would react to the requests but said it was likely Japan would be asking both the U.S. and the EEC to increase their own proposed tariff cuts.

The sources said Japan still hoped the MTN could be substantially completed with a package agreement by July this year.

Mr. Ushiba, who is due to leave here to-morrow, will hold meetings from next Monday with Mr. Strauss and Mr. Wilhelm Haferkampf, EEC commission vice-president. He will then visit West Germany, Holland and Denmark before returning home on April 15, the sources said. Reuter

Lisbon food prices up 20%

BY JIMMY BURNS

LISBON, April 7.

THE PORTUGUESE Government to-day announced a 20.6 per cent. increase in the price of basic foodstuffs. This meets the demands of some milk, egg and meat producers who have threatened to cut off supplies unless they were guaranteed a higher price.

A Government spokesman, announcing the measures, said that a further increase in the price of food had become inevitable because of the high cost of imports and the diminishing value of the escudo.

Structural deficiencies in the agrarian sector and bad weather have contributed to a fall in agricultural production during the past year. It has forced Portugal to increase food imports. Last year foodstuffs made up 18 per cent. of the country's import bill and it is estimated that the foodstuffs bill rose by 46 per cent. in value terms.

The escudo was devalued by 15 per cent. in February 1977, and has since gone down by 1 per cent. a month.

German air chief dies in crash

BY ADRIAN DICKS

BONN, April 7.

THE death in a helicopter crash in France last night of Herr Helmut Langfelder, chairman of Messerschmitt - Boelkow - Blohm, leaves a vacuum that will be hard to fill at the top level of the West German aerospace industry.

Herr Langfelder, who was 49, had taken over as MBB chairman and chief executive from Dr. Ludwig Boelkow only at the beginning of this year. Yet he had already shown evidence of a firm grip on the company and on the problems of the industry as a whole.

Specifically, Herr Langfelder had taken a close personal interest in the much postponed negotiations being held at the urging of the Bonn government with VFW-Fokker, and intended to lead to some form of merger of at least the German parts of the Dutch-German group with MBB.

According to industry sources, Herr Langfelder had been pursuing a very tough negotiating strategy in the much postponed negotiations that would have effectively dismembered VFW-Fokker, leaving MBB in undisputed control of those portions, such as the modern VFW works in Bremen, of which it might have made use in major joint European aerospace projects of the future, yet breaking up the trans-national group as it now exists.

At the same time, Herr Langfelder is known to have been working for a restructuring of shareholdings both within MBB and within VFW-Fokker that would have removed as shareholders the large U.S. aerospace companies which currently holds stakes in each group, and also would have led to the selling off by the Bavaria and Hamburg state governments of their large holdings in MBB.

Behind these objectives appears to have lain the longer-term aim set by Herr Langfelder's mentor and former boss, Dr. Boelkow, for making MBB the centrepiece not only of the West German but also if possible of the European aerospace industry in the 1980's. The company's increasing strength has been gained from military aircraft projects (the division Herr Langfelder headed before becoming chief executive) and weapons systems. However, through its joint stake with VFW-Fokker in the European airbus consortium, it has in recent years gained some experience in the civil aviation field too.

Michael Donne writes: In addition to being chairman of Messerschmitt-Bolkow-Blohm, Herr Langfelder was also on the Board of Panavia, the three-nation group building the Tornado multi-role combat aircraft, and Airbus Industrie, the consortium building the European A-300 Airbus. Also killed in the crash—which occurred while the executives were being given a demonstration flight in a helicopter at Marignane, Southern France—was General Andre Thoulouze, the London representative of Aerospatiale. Reports yesterday said that Jean-Charles Poggi, another senior aide to the president of Aerospatiale, was severely injured.

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As stated in an announcement published on December [...] 1977, the detailed feasibility study and pilot plant testwork h[as] been successfully completed. Your directors are, howe[ver,] becoming increasingly concerned about other factors which co[uld] affect the viability of the mine which, unlike other South Afri[can] producers, does not have the backing of a proportionately lar[ge] gold output. When the feasibility study was considered late l[ast] year we, in common with many others, were hopeful that [the] inflationary spiral had been contained and that costs wo[uld] stabilise. The spate of price increases in the first quarter of 1[978] has forced us to modify our views and to take another look [at] inflation insofar as it would affect capital expenditure and work[ing] costs. In the latter area the rapid increase in power costs [is] particularly worrying as the mine would be a heavy consum[er.] We are, furthermore, concerned about the additional inflation[ary] impact of the general sales tax. While it is not yet known wheth[er] there will be relevant exemptions, there is a fear that the capi[tal] cost could be increased by several millions of Rand and t[hat] operating costs would be significantly higher. We theref[ore] intend to negotiate with government on various aspects of [the] project.

In all these circumstances, and as the company has suffici[ent] cash resources to delay a decision on whether or not to establ[ish] a mine, the directors have felt it prudent to suspend temporar[ily] negotiations for the sale of the major portion of the min[e's] projected uranium output, until talks with government [are] concluded and a general review of the feasibility study in [the] light of the inflationary factors described above has taken pla[ce.] Shareholders will be notified in the annual report, which will [be] issued before the end of September, of any progress made [in] negotiations with government and of any decisions taken as [a] result of the review.

Copies of this announcement are being sent to all registered shareholders.

The interim report for the six months ended December 31, 1977 will be published in the press on April 12, 1978 and copies of this report will be posted to all registered shareholders.

Johannesburg.
7th April, 1978.

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هكذا من الأصل

HOME NEWS

Redpath to cut 800 jobs

By Sue Cameron and Pauline Clark

REDPATH DORMAN LONG, constructional engineering subsidiary of the British Steel Corporation, is proposing to make 800 of its 9,000 workers redundant.

The proposals, announced yesterday, would mean the closing of the Redpath works at Treorchy, Wales, with a loss of 300 jobs.

Another 450 employees would be made redundant at the company's Teesside works and a further 50 at Scunthorpe.

Last October, 400 redundancies were announced at the Teesside works, so if the new proposals go through, the total there will be 850.

Redpath said the redundancies were necessary because of the shortfall on the home market and the difficulty of breaking into overseas markets at a time when the steel industry was suffering a world depression.

Mr. Douglas Jeffels, district secretary of the Transport and General Workers' Union in Teesside, said that the plan was "diabolical."

The union side rejected the proposals and was not prepared to discuss the issue with local company representatives. Instead, unions were seeking top-level talks with the corporation.

It was not just the jobs that were at stake, Mr. Jeffels said. The country was losing a once-highly efficient operation whose activity would be cut by about 58 per cent., under the plans.

Unions had agreed to the loss of 1,300 jobs at the Teesside works over the past three years in the interests of efficiency.

"Management has got its sums wrong each time—overheads are still too high and we are tired of it."

● GKN is to make about 240 employees redundant at two of its Darlaston factories. The group intends to cut 145 from the manual workforce of Garringtons, one of its subsidiaries, plus 30 from the staff.

● Mr. Robert Scholey, chief executive of British Steel, said last night that it was difficult to see how the contraction in the steelmaking resources of Europe was to be brought about, John Lloyd writes.

Mr. Sholey told the Lincolnshire Iron and Steel Institute that the restructuring process which had been called for might be subect to the "overriding factor" of national pride.

"We are told that Europe must contract its steelmaking capacity by 30-50m. tonnes a year. How are the shares involved in this reduction to be nationally determined?"

Barclays wins staff deal on flexible working

BY PHILIP BASSETT

BARCLAYS BANK has won agreement with the 30,000 members of its Group Staff Association to experiment with flexible working, including late-night and early opening hours, new *bureaux de change* and co-operation in the bank's branch review.

Agreement has not been reached with the National Union of Bank Employees, but Barclays has decidoed to apply a productivity deal to all its staff—with conditions attached or flexibility — without full staff backing.

The decision, which will be regarded as a test case by the other major clearing banks, could lead to disputes within bank branches between staff association and union members, and cause confusion for customers.

The deal will give all bank staff extra pay increases of four per cent. for the period August-December last year, and six per cent. for January-June this year.

The bonuses will be paid monthly, starting with this month's pay packet, and the whole scheme will be renewable after 12 months.

Conditions attached include flexible opening hours, though not beyond 5 p.m. on Fridays, agreement to the opening of *bureaux de change* at week-ends and in the evenings, and co-operation in the Barclays review of its branch network, which could lead to a large number of closures.

Assurances

Barclays Group Staff Association has assured the bank that its members will honour the agreement but the union, which rejected the deal three weeks ago, said yesterday that if Barclays tried to implement it in any branches without its members' agreement the bank would have to take the consequences.

Mr. Eddie Gale, the association's general secretary, said that as his association had by far the greater number of members in the bank he did not see any difficulties in implementing the deal.

The union has negotiated a separate productivity deal for its 5,500 members in Barclays Bank International, which will give them extra pay rises of 5.4 per cent. backdated to August 1 last year. The payments will be reviewable each month, and continue until June 30.

In addition, the union has agreed to hold talks with the bank on the possibility of flexibility in weekday opening hours and on the introduction of *bureaux de change*.

An inquiry into the future of staff representation and negotiation procedures in the major London clearing banks begins next week, chaired by Dr. Tom Johnston, head of the Scottish Manpower Services Committee.

Civil List allowances to Royal Family to rise by 9.2%

BY PHILIP RAWSTORNE

CIVIL LIST allowances to the Royal Family are to be increased by £240,000—a rise of 9.2 per cent.—in the coming year.

Treasury estimates published yesterday show that the grant to the Royal Trustees has been raised from £800,000 last year to £1.04m. for 1978-79.

The total allowances, including the £1.82m. charged directly on the Consolidated Fund, will amount to £2.86m.

Allocations to individual members of the Royal Family are expected to be decided during the next month.

The increase of nearly £5,000 a week came under immediate attack from Mr. William Hamilton, Labour MP for Central Fife.

In a Commons motion, he called for the establishment of a Select Committee to examine Royal finances and suggested that members of the Royal Family should be invited to give evidence.

"The Royal Family should appear before the committee to justify increases they seek, just as the trade unions have to justify their pay claims or companies have to justify price increases," he said.

He would press for publication of the individual allowances, which will be decided in discussions between Mr. James Callaghan, Mr. Denis Healey, and Major Sir Rennie Maudslay, the Queen's Treasurer.

There would be "nation-wide outrage if a penny of this increase goes to Princess Margaret." She should be paid for each public engagement, "like fading pop stars."

Princess Margaret's allowance last year was £55,000. During the year she caried out 115 public engagements but in the first three months of this year, has fulfilled only 12.

Apart from the Queen's own civil list, which last year amounted to £1.9m., annuities of £155,000 were paid to the Queen Mother; £85,000 to the Duke of Edinburgh; £50,000 to Princess Anne and £25,000 to the dowager Duchess of Gloucester.

Payments to other members of the Royal Family were met by the Queen herself.

G. M. Firth chairman to stay

THE CHAIRMAN of a Bradford group of steel stockholders is to remain in office, in spite of facing fraud and forgery charges.

The Board of G. M. Firth (Metals) met yesterday and issued a Stock Exchange announcement saying that Mr. Gerrard Michael Leadbeater, the chairman, had denied the charges he faces and "will continue in office."

Mr. Leadbeater is one of five men charged with conspiracy to sell foreign steel as British Steel. The charges relate to the company's subsidiary, G. M. Firth (Steelstock), with 30-40 employees.

Those charged are Mr. Leadbeater, who is also chairman of G. M. Firth (Steelstock), Mr. Geoffrey Brown, sales director; Mr. Michael William Edwards, and Mr. David Mitchell, salesmen, an ex-director Edward ETAO men, and Mr. Edward Howard Clark an ex-director. They face charges of conspiracy to defraud and conspiracy to utter forged documents.

Yesterday, Mr. M. A. Butler, Firth's secretary, would not comment on the Board's decision, or the future of the other accused.

Humberside police, who led the investigation into the issue of alleged forged British Steel certificates, said that all five men had been remanded on £500 bail with £500 surety each in Bradford City Court on Tuesday, until June 29.

G. M. Firth (Metal) announced a loss of £29,000 in the six months ending September 30 last year. In the year ending March 31, 1977, there was a pre-tax profit of £198,543.

Report accepts disposal of toxic waste on land

BY KEVIN DONE, CHEMICALS CORRESPONDENT

THE CONTROLLED dumping of poisonous wastes in tips is an acceptable practice, according to a report produced by the Department of the Environment.

The study was commissioned to give waste disposal authorities a scientific basis for carrying out their licensing duties under the Control of Pollution Act 1974, and to find out what sort of sites are most safe.

It says that the sensible disposal of toxic waste on land is realistic. "An ultra-cautious approach to landfill of hazardous and other types of waste is unjustified."

The report has understandably been given a ready welcome by the waste disposal industry. Dr. David Davies, research and development director for Redland Purle, which operates 15 tips around the country, said the report showed "that Mother Earth is still a very powerful and effective neutralising agent, capable of absorbing without ill-effect all but the most intractable wastes."

He hoped the report would halt the rapid decline in the number of suitable waste sites approved for use by the authorities.

The report says that there have been very few documented cases in the U.K. over a long period of significant ground-water contamination due to waste disposal on land.

The study does point out, however, that the suitability of a particular site for the disposal of a given waste will depend very much on local ground formations and water levels and the proposed rate of disposal.

Co-operative Programme of Research on the Behaviour of Hazardous Wastes in Landfill Sites, SO, £7.

Phillips clears way for Maureen oil field

BY RAY DAFTER, ENERGY CORRESPONDENT

THE Phillips offshore consortium has cleared one of the major obstacles to the development of its Maureen oil field in the North Sea.

The group, which is testing an oil flow from the latest evaluation well on the structure, has signed a State participation agreement with the Government and British National Oil Corporation.

The agreement will become fully effective when commercial development of the field is initiated. If the Phillips group is satisfied with the results from the latest well drilled on block 16/29 it could announce a development programme later this year.

The field, some 155 miles north-east of Aberdeen, contains an estimated 120m. barels of recoverable oil, acording to stockbrokers Wood, Mackenzie. On this basis peak production rate might be about 35,000 barrels a day.

This oil could be transported ashore either by tankers, loading at a buoy tethered close to the field, or through a new pipeline which would almost certainly have to be linked to other new discoveries in the area.

Commercial interests in the Maureen Field, discovered in 1973, are: Phillips teProleum Exploration (33.78 per cent.); Fina Exploration (28.96 per cent.); Agip (17.26 per cent.); Century Power and Light (9 per cent.); Ultramar Exploration (6 per cent.); and British Electric Traction Company (5 per cent.).

Under the participation agreement British National Oil Corporation will have an option to buy at market prices up to 51 per cent. of each company's share of oil production.

'Segregate smokers to boost output'

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

EMPLOYERS wanting speed, concentration and accuracy from their staff should segregate smokers from non-smokers behind floor-to-ceiling fume-proof partitions, the British Psychological Society conference will be told in York to-day.

Even when they have not lit up, people who smoke work better in a nicotine fug than in ordinary office air, according to research by Mr. Murray Reid, 21, the Welsh young psychologist of the year.

Indeed, if utmost output is the only aim, it seems best to employ only smokers and confine them in their own exhalations where they generally work better than do non-smokers even in impecable atmospheres.

But where non-smokers are indispensable, strict apartheid is the most productive policy, Mr. Reid says. He has the occasional cigarette while working for his BSc finals at the University College of Wales, Bangor.

The title of his conference lecture—to be delivered this afternoon—is "Smoke gets in your eyes."

Trevor Humphries

Two examples of horse-powered transport arrive in London

TWO contrasting examples of horse-powered transport were on parade in London yesterday.

A greyhound bus which, at £165,000, is believed to be the world's most expensive, arrived from New York via Southampton to be exhibited at the Annual International Gas Turbine Conference, at Wembley's Conference Centre, from Sunday.

The reason for the high value of the bus is its revolutionary gas turbine engine, manufactured by the Detroit Allison division of General Motors. Designed to minimise pollution and maximise on fuel economy, the bus has a 310 hp engine.

While in Britain, the bus will be taken to provincial cities and towns to promote Greyhound travel.

The Gay Gordon Stagecoach—built in 1832 and originally used on the Edinburgh to London run — arrived in London yesterday after a run from Ripon, in Yorkshire, to inaugurate a series of stagecoach trips to the capital.

The trips, organised by Farnell Touring, based in Yorkshire, are to start on a regular basis in May.

Present day passengers will be insulated from the rigours of early nineteenth century travel, because a luxury coach will follow the stagecoach for those wanting a spell of comfort.

The journey takes five days, but Farnell are building it into a nine-day holiday.

The Gay Gordon is pulled by three teams of four horses. Out of town stabling is being provided by bloodstock and livery stables along the route, with accommodation for the horses in London being provided by the Royal Mews.

Lloyd's suspends Armour Hick

By John Moore

ARMOUR HICK AND PARKER, a Lloyd's insurance brokering firm, was suspended yesterday by the Committee of Lloyd's from placing any new business and from renewing existing business at Lloyd's pending investigations into possible financial difficulties.

Armour Hick, in which until two years ago Armour Trust held a 70 per cent. shareholding, last submitted accounts to Companies House in 1975, and showed profits of £11,600. Its holding company, Armour Hick and Partners, showed a £27,000 loss.

Armour Trust, a publicly-quoted confectionery-to-property investment company, sold its stake back to the directors in 1975 for a price equal to book cost. "The disposal was part of our retrenchment programme," said Mr. Christopher Lambourne, chairman of Armour Trust, yesterday.

Mr. R. M. Hick, chairman of Armour Hick, had no comment to make yesterday.

The British Insurance Brokers Association said: "It is a Lloyd's matter at this stage. When we have further information and the details are clarified, Mr. Barry Gibson, secretary of the Lloyd's Brokers Committee, will be looking into the matter."

Tory win 'vital' for N. Ireland

By Philip Rawstorne

A LABOUR victory at the next General Election would put the Union of Britain and Northern Ireland at risk, Mr. Airey Neave, Tory spokesman, said in Belfast yesterday.

The Labour Left—many of whom were already lukewarm if not actively hostile to the Union—had become a considerable force, he told the Ulster Unionist Council.

Though Mr. Roy Mason, Northern Ireland Secretary, was determined to "stand up for Ulster against these people of the Left," Mr. Neave feared the attitude of the Labour Party after a General Election.

"A Conservative victory is vital to Northern Ireland, to its economic and political future and to the protection of its people from civil strife."

In a speech widely seen as a renewed attempt to woo the Ulster Unionists back into a formal alliance with the Tories, Mr. Neave called on the Government to outlaw the Provisional Sinn Fein. It was virtually indistinguishable from the Provisional IRA, he said.

Mr. Neave demanded that the Government should "speak firmly to Dublin" and make clear its resolution to restore order in Northern Ireland.

Fresh food price index down 6%

By John Edwards

FRESH FOOD prices fell during the 12 months to February according to a Price Commission report issued yesterday.

The commission's index of retail prices of fresh foods was cut by 6.1 per cent.

This was in sharp contrast to the previous 12 months to February last year, when the fresh food price index rocketed by more than 21 per cent. because the drought cut supplies of vegetables and meat.

The resultant fall in prices was due almost entirely to cheaper vegetables, particularly potatoes, which were in good supply.

The report notes, however, that over the past three months there has been a general rise in fresh food prices.

This is attributed, in part, to normal seasonal influences, particularly for vegetables other than potatoes.

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HOME NEWS

Kellogg brings in tougher trade discounts

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

KELLOGG, which with its cornflakes has one of the strongest brands in the grocery business, is to change its system of trade discounts to relate them more closely to the delivery costs involved.

The new price list will mean that some big supermarket groups such as Fine Fare and Tesco, which still run many stores which are too small to take big deliveries, will probably have to pay a surcharge for deliveries to these stores even if the deliveries are part of large quantity orders.

The change comes at a time when the Monopolies Commission is considering the whole question of trade discounts with a view to deciding whether Britain ought to follow the American example and limit discounts to costs savings by law.

More by coincidence than design, the new system is being introduced only weeks after the Price Commission urged Cadbury-Schweppes to consider making similar changes to its discount structure.

Expensive

Traditionally, the big supermarket groups are able to buy on "best terms" because they order goods in such large quantities. But the problem from the manufacturers' point of view is that goods which are ordered in bulk are not necessarily delivered in bulk and making small deliveries to individual stores can be expensive.

At present, Kellogg gives "best terms" on orders of 1,000 cases or more. The smallest order it will accept from a distributor is 100 cases, although it is prepared to deliver as few at 25 for a surcharge of 50p.

From May 1, when Kellogg is to introduce its new discount structure, the minimum order requirement will remain at 100 cases. But the smallest delivery the company will be prepared to make goes up to 50 cases and the surcharge for making small deliveries will be increased to £1.25.

At the same time, the way retailers will qualify for best terms will change. In future the best price will be given only to retailers who accept deliveries of 500 cases—about a lorry load. The fact that supermarket chains often order 1,000 cases at a time or more apparently will make no difference.

Some of the big supermarket groups are not happy with the change. They are pointing out that although their customers may insist on them stocking Kellogg's cornflakes, they do not need to stock all the company's less popular brands, like Special K, in all their stores.

Shipowners oppose EEC bid to cut lamb imports

BY IAN HARGREAVES, SHIPPING CORRESPONDENT

BRITISH SHIPPING investment of £300m. may be jeopardised by moves within the EEC to limit the amount of New Zealand lamb imported into the United Kingdom, according to shipowners whose vessels serve the trade.

In a submission to the Government and members of Parliament, the New Zealand Tonnage Committee, says that Brussels plans, as yet unpublished, to impose quotas or increased duties on New Zealand sheepmeat imports will harm trade relations between Britain and its Commonwealth partner and raise the price of mutton in British shops.

The British shipowners affected are the consortia of Overseas Containers and Associated Container Transportation (Australia), which have about 90 per cent. of the trade, the rest being taken by New Zealand national lines.

The shipowners say that, until recently, they assumed there would be no sudden EEC policy move, but fear that a paper to be discussed by Ministers at the end of this month will suggest action that would rapidly affect their business.

Such a development should be resisted because it would force up mutton prices in the U.K., perhaps by as much as 70 per cent. if the retail price of New Zealand lamb were brought into line with French prices. New Zealand lamb is already subject to a 20 per cent. tariff.

In the past five years the lines have spent £200-£300m. at replacement cost values on refrigerated ships, containers and port facilities at Tilbury. Overseas Containers has only this month been able to take full advantage of its Tilbury facilities, after a labour dispute which cost the company £1.2m.

The shipowners also argue that the £122m. balance of payments surplus Britain had with New Zealand will be endangered by the EEC trade and agriculture policy.

The lines' revenue from sheepmeat is about £34m. and contributes much to the surplus, but the shippers say that any reduction in the meat trade will affect associated traffic, such as wool, as well as industrial exports from the U.K.

EEC policy has already affected the lines' trade with New Zealand by almost abolishing cheese transport and cutting traffic in New Zealand butter by 25 per cent.

More jobbers deal in mining shares

BY MARGARET REID

TWO more London stock-jobbing concerns, Akroyd and Smithers, one of the big five firms, and the smaller Harold Rattle, have this week begun dealing in mining and mining finance shares.

The two are taking on 29 such stocks, almost all South African. Hitherto, for some time, Smith Bros. has been the only jobber dealing in many of the securities, though Wedd Durlacher Mordaunt, another the big five, trades in certain of them.

The entry of the two further jobbers into this part of the market is welcome as providing additional competition. The move has been encouraged by the recent abolition of the previous exchange control requirement under which 25 per cent. of the proceeds of sales of overseas stocks by British investors had to be surrendered without obtaining the investment premium.

The hope in the City has been that this relaxation of exchange control will help to restore the market in London. Akroyd's start on dealing in South African gold mining shares was foreshadowed in January.

Thorn plans further 1,000 redundancies

BY JOHN LLOYD

OVERCAPACITY in the colour television and audio markets is forcing Thorn to plan more redundancies in five factories.

Earlier this week, the company said that its colour television factory at Bradford, Yorkshire, and a sub-assembly plant at nearby Windhill were to be closed, with a loss of 2,200 jobs.

The redundancies will bring the total labour force in Thorn's consumer electronics division to about 10,000.

Now, the company is planning to shed a further 1,000 jobs in the division over the next three years.

Wastage

The jobs will be lost at the colour and monochrome television factories at Gosport and Enfield and at plants in Newhaven, Chigwell and Nottingham which manufacture audio equipment, record players and cassette recorders.

It is not expected that any further factories will be closed, and the company hopes that most of the 1,000 jobs will be lost through natural wastage and from a bar on further recruitment.

Thorn has about 26 per cent. of the U.K. colour television market, which totals 1.6m. sets a year. It is working to only 60 per cent. capacity.

Its audio factories have been almost as badly hit by foreign competition as the television output, especially in the music centres field.

By-election dates for Tory seats announced

Financial Times Reporter

BY-ELECTIONS will be held in the safe Conservative seats of Epsom and Ewell, and Wycombe on April 27. Writs for the contests were issued in the Commons yesterday.

This brings the total of by-elections to be held this month to four. Polling takes place in Glasgow Garscadden next Thursday and in Lambeth Central on April 20.

In Epsom and Ewell, where the vacancy has been caused by the creation of a peerage for Sir Peter Rawlinson, former Attorney-General, the Conservatives will be defending a majority of more than 16,000.

Liberals occupied second place in the constituency at the last General Election, gaining 4,000 votes more than Labour.

The Tory majority at Wycombe of 9,079, secured in 1974 by Sir John Hall, whose death has caused the by-election, appears equally impregnable. Labour took second place at the General Election but the constituency has a strong traditional Liberal vote.

One other by-election is still pending in the Scottish seat at Hamilton, held by Labour at the last election but under strong pressure from the Scottish Nationalists.

Shanks named to advise managers on EEC relations

THE British Institute of Management has named Mr. Michael Shanks, National Consumer Council chairman and member of the National Economic Development Council, as its adviser in a review of its relations with similar institutions in the other eight member countries of the European Economic Community.

The institute said the object was to see how it could be better informed about developments in the EEC which affected managers and bring greater influence to bear.

Mr. Shanks was director general of social affairs of the EEC Commission from 1973 to 1976.

Sport leaders probe violence

Financial Times Reporter

A STRONG stand against all forms of discrimination in sport, including apartheid, was agreed on by Council of Europe sports ministers at a conference in London which finished yesterday. There will also be an inquiry into the problem of violence.

Scientists attack windmill scheme

BY DAVID FISHLOCK, SCIENCE EDITOR

SCIENTISTS working for the Central Electricity Generating Board say that they have found a flaw in the case for using windmills as part of the electricity supply system.

They have examined meteorological data to determine whether an idea put forward last year by Sir Martin Ryle, the Nobel prize-winning Cambridge astronomer, would make large-scale wind generation of electricity significantly cheaper than either nuclear energy or wave power.

They have concluded that his proposals "seem to be based on very optimistic estimates of wind generator performance on average sites and his conclusion on relative economics is probably incorrect."

Sir Martin's enthusiastic support for windpower encouraged the Government to plan a large windmill project in Britain, with an output of several megawatts.

His idea depends on having a cheap form of domestic heat storage able to hold enough heat to last almost a week to cushion the consumer against the vagaries of the weather.

The Generating Board scientists, reporting in the magazine Nature, examined meteorological data for eight windswept sites they believed typical of areas where windmills might be located.

Their analysis showed that, had the 150-hour heat store assumed by Sir Martin started in the period February-March, 1975, fully charged, it would have been exhausted by February 7. There would have been a shortage of energy until February 16, and further shortages between February 21 and March 18.

They conclude that for the consumer to be covered adequately against weather changes during this period, the house would need a 38-day store—six times the size proposed and a far more expensive proposition.

Even so, they are still not sure such a store would cushion the consumer against all contingencies in the delivery of wind energy.

Verdicts in 'hammering' trial likely next week

FINANCIAL TIMES REPORTER

JUDGE Neil McKinnon, QC, who is trying the Chapman and Rowe "hammering" case at the Old Bailey, told the jury last night that he hoped to send them out on Tuesday to consider their verdicts.

The accused are three former partners of the firm, Alan Harman, aged 34, George Miller, aged 38, and Ralph Clarke, aged 50, and their former managing clerk, John Michael Goodsell, aged 35.

All deny conspiring to defraud clients of Chapman and Rowe in 1973-74 before it was hammered with a deficiency of about £2m.

During the summing-up yesterday Judge McKinnon reminded the jury that the Crown case was that Chapman and Rowe had been facing insolvency for several months before it was finally hammered.

The allegation was that in consequence it had become necessary for clients' stock to be pledged without permission in order to carry on business. But the jury would have to decide whether any of the accused was in any way an accomplice in unlawful pledging.

There was no dispute that the balance sheet as presented to the Stock Exchange in early 1974 was misleading, but the question for the jury to decide would be whether any of the defendants knew this.

Flexible tax relief on profit-sharing urged

BY DAVID FREUD

ALL THREE methods of granting tax relief for profit-sharing schemes outlined in February's Inland Revenue consultative document should become available, argues a submission by the Consultative Committee of Accountancy Bodies.

The accountants believe that the third method—which envisages the setting-up of trusts to hold shares allocated to employees—is likely to be the most favoured by employers, despite the likelihood of considerable administrative burdens on the company.

A defect of the Inland Revenue proposals, say the accountants, is that they apply only to those employed by listed companies or groups, so that a large number of employees cannot participate.

Furthermore the employee's savings would be committed to the company which employs him with the risk of loss of savings and employment should the company fail.

Therefore, the accountants say, the investment should be permitted in a managed investment fund, and if investment is made in the employer company there should be some means of protecting the employee from loss.

Fewer office permits issued

THE DEPARTMENT of the Environment issued fewer office development permits last year compared with 1976. But the amount of new office space in the south east represented by the permits dropped only slightly from 14.4m. to 14.1m. square feet.

Comparative figures for permits, published in the latest edition of the department's magazine, Trade and Industry, are obscured by the change in the exemption limit for south eastern office schemes last year. The exemption level was raised from 15,000 square feet to 30,000 square feet from June last year.

For the whole of last year the department issued 165 permits, 96 less than in 1976. But the average area of office development for each permit rose from 63,000 to 98,00 square feet.

The department also notes a sharp rise in the number of permits granted in the final quarter of last year. Permits for 45 schemes amounting to 4.7m. square feet of offices were granted, against 31 permits for 3m. square feet in the third quarter.

Car bumper changes cut 150 jobs

By Our Midlands Staff

ANOTHER 150 jobs will be lost at W. B. Bumpers, the Wilmot Breeden division in Birmingham, over the next few months.

The group, with GKN Sankey, is a major supplier of chromed car bumpers. Changes to plastic and rubber-covered bumpers, multi-sourcing by U.K. customers and other changes are the chief factors.

This year the 1,000 labour force has been reduced by 150 mainly through natural wastage and voluntary redundancies. The pattern is expected to be repeated. Talks with the National Society of Metal Mechanics begin next week.

Shorts aiming at 300 sales for commuter aircraft

By Our Belfast Correspondent

SHORT BROS. of Belfast, the Government-owned aerospace company, said it expected to sell as many as 300 of its 30-seater commuter aircraft.

The company's optimistic forecast follows record sales of the SD-330 in the first quarter of this year. The value of the 12 aircraft and spares sold was nearly £12m.

Shorts, which is discussing its future financial requirements with the Government said there was increasing evidence that the aircraft would capture a major share of the world market.

Shorts said there was a market potential for up to 1,000 aircraft sales worldwide over the next seven to ten years.

It expected that 25 to 30 per cent. of the demand would be satisfied by its own aircraft which had already been bought by seven major commuter and regional airlines.

Mr. Philip Foreman, Short's managing director, said the company was "delighted with progress to date." There were 22 firm sales and four options.

Shell bid to double retail trade

Financial Times Reporter

SHELL is to increase its range of goods for sale in forecourt shops in a bid to double its retail turnover to £6m. this year.

A range of sports clothes is being added to established tee shirts and hats, while foreign car parts and light bulbs for the home will now be available.

About 1,500 of the Shell's 6,000 service stations will be used. A mobile display trailer is due to visit all major areas of the U.K. in the next two months.

The retailing side is intended by Shell to boost overall profitability which has been squeezed by petrol price cutting.

Police guard on wallpaper company

By Our Own Correspondent

THE WALLPAPER Warehouse Company of Northampton was closed and under police guard yesterday after police had arrested a numer of employees and taken possession of the company's books.

Police are refusing to discuss the closure. Det. Chief Supt. Arthur Crawley, head of Northamptonshire CID, said: "Our investigations will have repercussions elsewhere."

● NEWS ANALYSIS—THE SUCCESS OF AIRBUS INDUSTRIE

A crucial decision for Britain

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE SUCCESS of Airbus Industrie, the European aircraft manufacturing group, in winning the $778m. order from Eastern Airlines for 23 A-300 Airbuses, will not only bring good business to the U.K.—in the shape of £100m. of work on building wings for the aircraft—but will also considerably change the way in which that organisation is regarded in this country.

The Eastern deal will give renewed impetus to the argument over whether or not the U.K. should rejoin the Airbus Industrie group on a formal Government basis, rather than continue its association solely as a sub-contractor.

When Airbus Industrie was being set up in the late 1960s, as a group to undertake the manufacture of a European airliner for the mid-1970s and beyond, the U.K. was expected to become a full member, with a Government stake in the group. But the Labour Government of the day pulled out, because it did not believe the venture had any chance of long-term success.

As a result, when Airbus Industrie was finally established as a basic Franco-German organistation, Hawker Siddeley Aviation of the U.K. remained associated with it as sub-contractor, building the wings, and retaining also an overall design consultancy forth the venture, not only because it believed in the Airbus, but also because Airbus Industrie itself needed the technology on wing design that HSA possessed. British Aerospace, the nationalised aircraft group, on taking over HSA, has retained this interest.

Airbus Industrie remains primarily a Franco-German enterprise, whose members are Aerospatiale of France and Deutsche Airbus, whose members in turn are Messerschmitt-Bolkow-Blohm and VFW-Fokker. The main associates, apart from British Aerospace, are Fokker-VFW of Holland and CASA of Spain, while General Electric of the U.S. builds the CF6-50 engines which power the aircraft.

Apart from its growing success in world markets — there are now firm orders for 95 A-300s and 44 options, from 12 of the world's leading airlines—Airbus Industrie is rapidly demonstrating that it is the logical basis around which should be developed the new jets that are being planned in Western Europe for the next 20 years.

There are at least three of these, in addition to the A-300 itself. One is the B-10, a smaller model of the Airbus, seating 200, on which Eastern has taken options for 25. The others are the smaller short-range Joint European Transport (JET) ventures, the JET-1 of 130 seats, and the JET-2 of 163 seats, which are being undertaken at present independently of Airbus Industrie, but which may well be built by it if the project goes ahead.

Decision

British Aerospace is participating extensively in the preparatory design and marketing of the JET programme, and has contributed to the team now scouring the world's airlines to discover what interest there may be in any of these aircraft. Depending upon how well these studies go, a decision may well be taken later this year on whether to build one, or all, of them.

It is for this reason that some time in the next few months the U.K. has to take a crucial decision—whether or not to rejoin Airbus Industrie and thus permanently link itself to European airliner development for the rest of this century, or to undertake collaborative programmes with either Boeing or McDonnell Douglas of the U.S.

If the decision is in favour of a European venture (and this is by no means a foregone conclusion at this stage), the U.K. will have to pump a substantial amount of cash into Airbus Industrie (probably not less than £200m.) to cover its share of work on the new airliners the consortium decides to build.

There will also be the question of a contribution to "historic costs"—a type of entry fee covering past Airbus development costs that Britain may well be expected to pay for the privilege of getting back into an aircraft manufacturing club that is becoming increasingly successful in its own right. As Airbus Industrie grows stronger, both in prestige and manufacturing terms, rejoining it as a full member will become more attractive, but perhaps also more expensive in terms of the entry fee required.

But if the U.K. does decide to "go European" and rejoin Airbus Industrie, that organisation will have to be reshaped, to ensure that Britain gets a full say in its affairs. There will be no point in setting up another entirely new organisation to run any new airliner programmes that may be devised in Europe. But it is also clear that by itself Airbus Industrie will not be able to cope with the expanding A-300 programme and several other new ventures besides.

It is probable, therefore, that Airbus Industrie may be reorganised into divisions, with one looking after the A-300, and another responsible for the B-10, and yet another looking after the JET 1 and 2 airliner programmes.

The U.K., though British Aerospace, has already made it clear that while it is participating with other members of Airbus Industrie in the current worldwide airline market survey, it is by no means committed to that orgainsation, and would like to have much more edtailed information about Airbus Industrie's financial performance before any commitment can be made.

It is against this background that the Eastern Airlines deal must be viewed. It represents a major breakthrough into the U.S. market that may well be followed by further orders from such U.S. airlines as United, Allegheny, Pacific South-West and TWA. Outside the U.S., many other airlines are interested, and may buy soon. By the early to mid-1980s, Airbus Industrie may have sales of 300 aircraft or more on its books.

At the same time, the Eastern deal greatly strengthens Airbus Industrie's credibility as a possible basis upon which to build a future European airliner manufacturing programme, going far beyond the existing A-300 aircraft.

It faces the U.K. with a dilemma, as to whether it should formally seek to rejoin the group soon, or wait a little longer.

LABOUR NEWS

Ruling disappoints managers' union

BY PAULINE CLARK, LABOUR STAFF

THE HIGH COURT yesterday agreed with the Advisory, Conciliation and Arbitration Service that it should be allowed to stand by while the TUC tries to resolve a protracted inter-union recruitment dispute.

The question of how far ACAS can use its discretion to decide when it takes up union recognition references while unions sort out their internal problems is already before Parliament in the Private Members' Bill tabled by Mr. Ian Mikardo.

Mr. Justice Oliver was dismissing, with costs, a claim by the Engineers' and Managers' Association that ACAS should go ahead with the union's claim for bargaining rights on behalf of some groups of senior engineering staff at the GEC Whetstone plant in Leicestershire.

Mr. John Lyons, general secretary of the association, said he was "disappointed" with the High Court decision. The union now would proceed with court action against the TUC, challenging the validity of a disputes committee award against it.

Mr. Lyons interpreted the judge's ruling as a "procedual" one and not a judgment on the rights and wrongs of the case."

"It underlines the need for liament to look at ACAS's ri of discretion and how far were open to abuse."

Mr. Justice Oliver mad clear that the court felt it open to ACAS to defer ta any steps in the fulfilment o statutory duties, if it beli that this was necessary to i its functions properly.

It was not considered ap priate for the court to i vene, unless its reasons deferral were patently unrea able at the time the decision made.

With the inter-union wra still unresolved, ACAS could have known in dealing with Whetstone recognition whether the union was capab recruiting there. The other union involved is the white-c section (TASS) of the Am mated Union of Enginee Workers.

The EMA's writ against TUC made it clear that union was challenging the dity of the disputes commit ban on recruitment by EMA the court's view the existenc non-existence of that ban w be a matter to be consid when ACAS reported on El reference to it.

Oil platform deal 'lost' after craftsmen's dispute

BY OUR ABERDEEN CORRESPONDENT

MORE THAN 700 construction craftsmen involved in a dispute on Chevron's Ninian Southern platform 70 miles north-east of Shetland, have been dismissed it was claimed in Aberdeen last night.

It was also claimed that the sub-contractor involved, W. Wilson Walton, of Teesside, had lost its contract for extra work in hand which followed completion of the main contract.

After a meeting with Wilson Walton, Mr. Tommy Lafferty, Aberdeen officer of the Amalgamated Union of Engineering Workers constructional section, said: "The company have l their contract withdrawn a the men are finished."

The dispute started wi the company refused the me demand for an increase their completion bonus, ported to be an extra £2 per man, and a change in th present on-shore leave syst

Main contractor for "hook-up" or completion we Seltrust Offshore Services, Aberdeen, refused to comm yesterday as did Wilson Walton. No further comm was available from Chev last night.

New national engineerin pay agreement signed

BY CHRISTIAN TYLER, LABOUR EDITOR

THE FIRST national engineering pay agreement for three years was signed in London yesterday after the Government exempted thousands of the industry's lowest-paid workers from the pay guidelines to enable them to move onto new minimum rates.

The Government's decision had come as a surprise to the Engineering Employers Federation, which only a few days before the decision was announced was led to understand that there could be no waiving of the rules. But on Tuesday, the day the Cabinet subcommittee on pay met, the go-ahead was given.

It is believed the Government was persuaded of the importance of preserving the national agreement as a way of preventing pay anarchy in the industry. Furthermore, the two senior Employment Ministers, Mr. Albert Booth and Mr. Harold Walker, have close connections with the engineering union.

As a result of the agreement, minimum rates rise on Monday from £42 to £57 a week for skilled men and from £33.60 to £43 for unskilled. From the beginning of October, they rise again to £60 and £45.

Most of the 1¼m. workers directly covered already earn more than that. They will ceive the higher overtime, s and holiday pay flowing from new rates only on the anni sary of plant deals.

But some of those earn less than the new minima get a rise on Monday another in six months, eve they have already had a ful per cent. Stage Three rise.

Gas workers consider actio

GAS WORKERS who con pipeline distribution throu out the country have asked th union leaders to consider p posals for industrial action support of an official strike colleagues in Scotland.

The request, by the pipel distribution branch in Nor wich, Cheshire, of the Natio and Local Government Offic Association will be taken up a union emergency commit meeting on Tuesday.

An all-out strike by the pi line workers seems unlikely this stage although any kind industrial action could disr contractual supplies to ind tries. Domestic supplies wou not be affected.

Talks at Rolls-Royce fail

BY OUR MIDLANDS STAFF

MORE THAN 10 hours of talks failed yesterday to end the week-old wages dispute that has halted two Rolls-Royce aero factories in the Coventry area. No further meetings are in prospect and occupation of the factories is to continue.

About 4,000 manual workers have been suspended at the Coventry and neighbouring Ansty plants and 2,350 staff laid off.

The dispute is over movi the remaining 330 men fro piecework to measured day wo in line with the group's oth aero factories.

● Seven thousand producti workers at the Perkins die engine plant in Peterborou are to start a sit-in on April unless the company improves latest pay offer.

Curb on wages opposed

BY OUR LABOUR EDITOR

CONFERENCE resolutions tabled by branches of two big industrial unions suggest the Government has little chance of securing any formal union co-operation for another set of pay guidelines after the end of July.

Virtually every incomes policy resolution for the conferences of the National Union of Railwaymen at Llandudno in July and of the General and Municipal Workers' Union in Scarborough in June calls fo opposition to interference o any kind.

That however will no prevent the Government nam ing another earnings target to follow the 10 per cent. and looking for tacit TUC consent.

Leaders of the two unions which are both strongly loyal to the Labour Party, may be unable to agree to more than a general exhortation to keep wage demands reasonable in the next round.

RAF and Army officers 'have joined ASTMS'

BY PHILIP BASSETT, LABOUR STAFF

MR. CLIVE JENKINS, general secretary of the Association of Scientific, Technical and Managerial Staffs, said yesterday that his union was planning a recruiting drive among middle-ranking officers in the armed forces.

Some RAF flight lieutenants and Army captains were already ASTMS members, Mr. Jenkins said at a celebration marking his ten years as general secretary of the union. He believed the armed forces eventually would be fully unionised.

The main reason for forces' officers joining the union was pay. "They are relatively badly paid," he said. "The career officer has suffered a number of massive blows financially in recent years."

ASTMS has grown from a union of 70,000 members with an income of £365,000 in 1968 to its present strength of 450,000 members, with an income last year of £6m., with a £1m. surplus, and a projected income next year of £8.3m.

Quiet trading ahead of the Budget

. a very quiet start to the .et account the Stock Ex-.ge sprang to life on Tues-.uded by a large investment . spread throughout the .strial Ordinary Index rose .et, and the Financial Times . points. Gilts, however, .red a late setback follow-.he banking figures to finish .day little changed. Once . this brief rally the market .ed back into a state of .o with the bid situations .second line stocks attract-.nost interest.

.at sinking feeling

. hard to believe that just .ear ago this month our .ping sector index sailed to .all-time high. To-day, the .or is looking decidedly .gy. Our index has fallen .over a tenth this year and .ain companies have per-.ned still worse — Furness .ay's share price has fallen . well over a third and .umon Brothers' by over 40 .cent. For some of the very .ll *shipping* companies there .virtually no market, so a .ll *selling order can* send the .e reeling.

.he problems *of the tanker* .istry are well known, with .too many *ships chasing too* .e business. But the over-.acity there has now spread .he bulk trades and is start-. to have an impact on the .r business where the big . shipping companies make .ir real money.

.his week, Ocean Transport, .ond only to P & O in size, .erlined the sector's deterior-.g fortunes. Last year .lysts had been expecting .ean to make £50m. .fact it made £39.1m. and it .ks as if profits might sink .ow £30m. this year. With .st of its revenues denomi-.ed in dollars, and operating .ts in sterling, Ocean has .n suffering from the decline .the dollar. Of course, if ex-.nge rates move the other .y, Ocean could do better, but .re is no denying that, ex-.nge rate movements apart, . trading picture shows little signs of improvement and a yield of 10 per cent emphasises the stock market's view of this blue chip.

Hepworth/JRT

Despite the prolonged efforts of Hepworth Ceramic to reach an amicable agreement with Johnson-Richard Tiles its bid terms have been flatly rejected.

Last month a group of JRT's *shareholders, controlling 25 per* cent of the equity, stated that *they were willing to consider* an offer over 125p per share. The Hepworth *camp feels* that JRT's Board had its hands tied *by the minimum valuation put* on this stake which made it *difficult for JRT to recommend* anything below that figure. With Hepworth *standing at 78p* the bid terms put a value of 117p per JRT share.

LONDON

ONLOOKER

The total value of the bid comes out at around £25¼m. which is more or less in line with net assets including deferred tax. On the face of it this would seem a fair price for a company that has shown limited growth over the past four or five years. But JRT's has ample scope to make a size-able dividend increase which with the apparent backing of a sizeable holding would seem sufficient to squeeze *more out* of Hepworth.

Gloom at GKN

Guest Keen is still waiting patiently for world steel markets to revive and lift the gloom that has led to the widespread dis-illusionment with its immediate prospects. Disruption in the U.K. automotive industry has not helped either, and this week's announcement that 1977 pre-tax profits were 26 per cent. lower only confirmed that re-covery is still some way off.

Certainly the short-term out-look is bleak—with steel demand sluggish, the directors themselves see *little change in* non-automotive and component *operations. Indeed sales volume,* which slipped in the second half *of last year, will be difficult* to maintain and margins will come *under further pressure. The* strength of sterling, too, will *have its impact on exports*—growth of 39 per cent. in the *first half of 1977 was reduced* to 13 per cent. in the second *six months and there are signs* of a fall-off in Continental component operations.

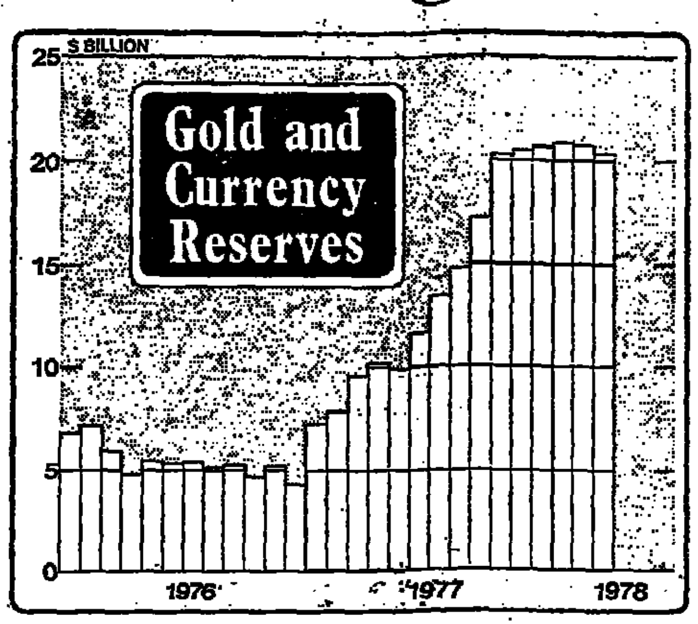
But not all is gloom and doom; margins will get some benefit from recent moves by the EEC Commission to protect the steel industry. These will set minimum prices and ease the competitive pressure from dumping by foreign manufac-turers. And if the bid for Sachs goes through after all, GKN will be able to consolidate itself as *Europe's major supplier of* automotive parts.

However, *the outcome of the* appeal to the German Govern-ment to allow the takeover is anything but assured and a rejection would certainly damage the group's long-term strategy.

Mail order

The mail order results season *got off to a ragged start* this week. Freemans came up with some good *figures for* the year to last January, showing second half profits growth of *27 per* cent. on sales up by 18 per cent., but Grattan, covering the same period, looked dismal in com-parison. Its second half profits fell by 8 per cent. on a meagre sales advance of 7½ per cent.

Freemans, in common with the mail order sector, had a disappointing Christmas — the buying season came too late for the mail order companies —but even so the overall result looks impressive and the pro-gressive increase in margins throughout the year is good news. Grattan on the other hand blames a disappointing second half on a catalogue which was a marketing mistake. The latest catalogue is receiving a much better response, but the company has been losing market share for some years and the signs are not particularly encouraging.



Not surprising, therefore, is DATAstream's analysis of the week's share performances. In the "capitalised at over £20m." league, Freemans ranks as number three in the top per-formers with a rise of a tenth, while Grattan is in the bottom 15 with a fall of 5 per cent. Empire Stores was also a strong performer with a rise of 7 per cent. ahead of next week's figures which are expected to *show pre-tax profits of around* £7m. (£5.4m.).

Colour problems

Thorn Electrical's announce-ment this week that it intends to close its colour television factory at Bradford, and a nearby sub-assembly plant, pro-vides further evidence of the parlous state of the U.K. colour television industry.

The industry, with no fewer than eight companies in the U.K. manufacturing colour tele-vision sets, has been beset by intense price competition. The situation has been exacerbated by technological advances which have led to increased capacity at a time when consumer spend-ing has fallen—with the result that the industry is selling just over half the number of sets it *has the capacity to produce.*

THE TOP PERFORMING SECTORS IN FOUR WEEKS FROM MARCH 9

	% change
Newspapers, Publishing	+17.9
Motors and Distributors	+ 8.9
Food Retailing	+ 8.0
Contracting, Construction	+ 7.7
Investment Trusts	+ 7.2
Overseas Traders	+ 7.1
All-Share Index	+ 4.6

THE WORST PERFORMERS

Electricals	+ 1.8
Insurance Brokers	+ 0.1
Shipping	− 0.7
Hire Purchase	− 1.5
Property	− 1.8
Discount Houses	− 1.9

Crystal gazing

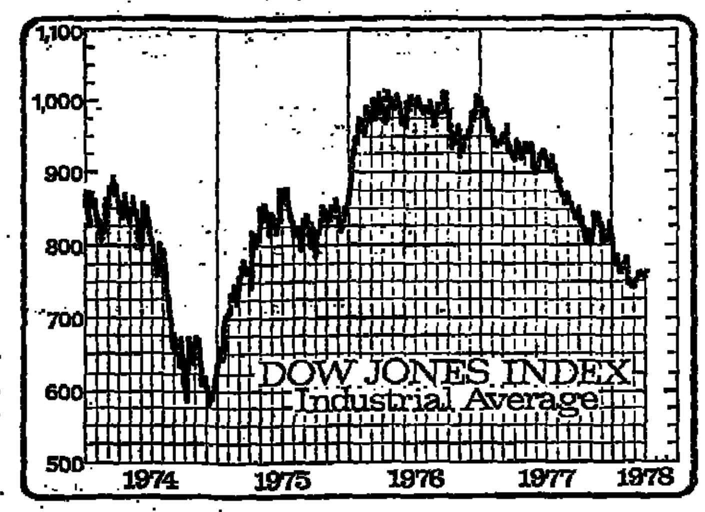
RECENT reports have suggested that some institutional investors are beginning to pluck up courage and cautiously start buying shares again. The per-formance of the market, how-ever, implies that whatever the truth of his contention, and there is some truth in it, there are just as many big holders of shares who are as gloomy as ever, and are happy to keep most of their cash flow in the money market.

It is this sharp division of opinion which helps to account for some of the more abrupt movements in share prices and the zig-zagging of the indices. On the one hand there are the optimists. Paradoxically their hopes are founded on the belief that the economic recovery now entering its fourth post recession year is running out of steam. A quick end to the recovery which would reduce inflationary pressures that are now building up after three years of sustained growth and remove the threat of a credit crunch next year, *leading* to further sharp rises in *interest rates, is what the* optimists are looking for. They *see in the current record* levels of consumer debt and other indicators the evidence that the spending which has been fuel-ling the economy is about to run down.

NEW YORK

STEWART FLEMING

The contrary view which



New York investment bankers Salomon Brothers put forward in a recent market analysis is that the long winter and the coal strike have merely served to prolong the recovery rather than abort it, that long-term interest rates are going to continue to rise to around 9½ per cent. and that this trend, partly because of the sensitivity of the equity market to develop-ments in the fixed income sector, will lead to renewed declines in share prices.

Comparing earnings yields on the Dow Jones Industrial Average yields on double-A rated fixed income bonds, the investment bankers suggest that, on their corporate profits forecasts for this year, the Dow Jones Industrial Average could fall as low as 660, a further 12 per cent. decline from current levels, on top of the 25 per cent. fall so far from the beginning of 1977.

There are those who argue that these sort of gloomy pre-dictions are paying to much attention to what is happening with share prices, the stocks of the major corporations, the Dow Jones Industrials and other busi-ness in that sort of size

More attention it is said should be paid to the second line stocks quoted on the American stock exchange or over the counter. These markets have been in a strongly rising trend for two years.

Moreover the trend of port-folio management to diversify their holdings has made these markets of more significance in gauging Wall Street's mood.

The argument overlooks, how-ever, just how insignificant in total value terms the smaller markets are. Thus, earlier this week, Interactive Data Corpora-tion of Massachussets published the results of a survey of first quarter share price movements. *This showed that while the 30* biggest gainers on the Amex rose in total market value by $663m., the thirty biggest losers *fell by $1.5bn. Even more signi-*ficant the first quarter's fall in *the share price of International* Business Machines involved the *company's shareholders in paper* losses (assuming they held their shares) of $5.6bn.

	Close	Change
Mon.	751.04	− 6.32
Tues.	755.37	+ 4.33
Wed.	763.08	+ 7.71
Thurs.	763.95	+ 0.87

Brazil hots it up

IT IS typical of the twisted logic of the coffee market that as world prices sank to their lowest levels for 20 months this week Brazil, the world's biggest pro-ducer, decided to double the support price of its coffee.

In a surprise move this week the Government announced that from July 1 the support price will be raised from the current 1,250 Cruzeiros to 2,500 Cruzeiros per 60-kilo bag. This is equivalent to a little over £1,300 a tonne but once export tax and shipping costs are added the total comes out somewhat higher than the current world market price of about *£2,000* a tonne. The 2,500 Cruzeiro price is already offered to coffee growers but from July 1 it will be available to *all sections* of the trade, effectively discourag-*ing exports at any lower level.*

Unless prices rise, therefore, there seems little prospect of significant amounts of coffee coming out of Brazil via private exporters when the new crop season starts in the summer. On recent form, however, this is not likely to worry the major manufacturers unduly as they *have been virtually absent* as buyers in recent months any-way.

This lack of buying interest has led to a sharp fall in the market, but prices are still about three times higher than before the disastrous Brazilian frost of 1975.

The main problem vexing the manufacturers at the moment is the likely retail consumption level during the remainder of this year. In the spring of 1977 worldwide consumption was estimated to have fallen by 15 per cent. from normal levels as a result of the astronomical prices.

This in turn creates serious problems in the producing coun-*tries, particularly Brazil,* where lower prices and reduced sales *create balance of payments* problems and make it impossible *for income expectations built up* during the "boom" to be ful-filled.

Yesterday's Brazilian support *price move is believed to be a* direct result of agitation by growers in the interior who have been alarmed to see their stand-*ards of living being whittled* away as quickly as they had *been boosted in 1976 and 1977.* Apart from subsidising their growers the Brazilian authorities are obviously hoping that by set-*ing an effective "floor" price* slightly above world levels they can reverse the downward trend in the coffee market which has *persisted over the past year.*

Brazil has recognised the more difficult marketing situa-tion by making an attempt to improve the quality of its coffee. To this end the Govern-ment has instituted a premium system whereby growers will be paid substantially more for the better grades of coffee than for the average and poorer types. Previously the support price was offered at a flat rate irrespec-tive of quality.

COFFEE

RICHARD MOONEY

Yesterday's move was Brazil's second major coffee policy change within a week. Last week-end the authorities announced reductions in both the minimum export price and export tax (contribution quota). But in a *further example of the Latin American paradox the net effect of these moves was to raise the* export price of Brazilian coffee.

The effect of the export tax cut is straightforward. The new *level of $90 a bag is $30 lower* than previously and has an *equivalent 22.68 cents a pound* downward effect on export *prices. But the reduction in the* minimum export price by 30 *cents to $1.70 a lb actually makes* exports dearer. This is because *the discounts on which most* Brazilian coffee is sold are linked *to the difference between the In-*ternational Coffee Organisation *indicator prices and the (higher)* official Brazilian export price.

A cut in the export minimum narrows the gap and reduces the discounts—making coffee more expensive. The upward effect of the lower minimum price was 30 cents so Brazilian coffee actually became 7.32 cent a lb dearer for export. Much of this loss in the value of discounts has been made up in the past week, however, because of the decline in Robusta (mainly African) coffee values which has widened the gap between the Brazilian minimum and the ICO indicators.

But demand remains the main influence on the tone of the coffee market. Supplies appear adequate, unless Brazil suffers another serious frost this year, *and the main uncertainty is how long the manufacturers can hold off the market before replenish-*ing their stocks.

MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1978 High	1978 Low	
. Ord. Index	467.1	+ 3.3	497.8	433.4	Pre-Budget optimism
.ld Mines Index	153.0	− 5.7	168.6	130.3	Uncertainty on U.S. gold sales
.chequer 10½% 1995	90	+ ¼	95	88¼	Slowdown in money supply
.rikander Lease	165	−115	295	160	Hold-up on uranium development
.ck (A. & C.)	95	+23	95	70	Excellent annual figures
.own & Jackson	64	+11	64	24	Bid speculation
.own (J.)	301	+18	301	231	Revived investment demand
.ristics International	92	+ 8	95	70	Results due Wednesday
.llen's Stores A	96	+12	97	70	Speculative demand
.vy International	227	+13	261	209	Revived investment demand
.e Beers Defd.	323xd	−17	354	285	Profit-taking
.nkie Heel	26	+ 7½	26	18	Record profits
.eemans	300	+28	300	244	Better-than-expected results
.traset	145	+20	148	98	Bid speculation
.ondon Sumatra	128	−17	145	69	Revised bid from McLeod-Sipef
.ewarthile	170	+15	185	138	Speculative demand
.ueens Moat Houses	33	+ 5½	36	21½	Speculative bid hopes
.atners	101	+14	112	84	H. Samuel increases stake
.cot. & Universal Invs.	112	+15	116	85	Offer from Lonrho
.Vigfall (H.)	204	−18	276	146	Lapsing of Comet's offer

U.K. INDICES

Average week to	April 7	March 31	March 23
FINANCIAL TIMES			
Govt. Secs.	73.99	74.28	75.36
Fixed interest	77.30	77.80	78.29
Indust. Ord.	467.8	464.9	462.0
Gold Mines	154.4	156.4	148.1
Dealings mkd.	5,210	4,959	5,165
FT ACTUARIES			
Capital Gds.	203.11	202.14	200.52
Consumer (Durable)	187.34	185.26	184.62
Cons. (Non-Durable)	196.72	195.71	193.53
Ind. Group	201.69	200.64	198.93
500-Share	221.96	221.70	219.99
Financial Gp.	163.98	165.75	166.01
All-Share	205.69	205.76	204.24
Red. Debs.	60.59	60.99	61.05

AN OFFER FROM M&G

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Management Today, February 1978.

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SUNDAY TELEGRAPH 1.1.78

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THE M&G GROUP

Gold Fields fails to impress the City

CONSOLIDATED GOLD Fields is not the City's favourite child. Concern about what the group does with cash raised by rights issues has seen to that. It was scarcely likely therefore that the market would be very im-pressed with a 16.9 per cent. rise in the first half net attribut-able profits.

Despite efforts to project the group as an internationally diversified concern, no longer reliant on its 49 per cent. hold-ing in **Gold Fields of South Africa**, the share price is still primarily influenced by the movements of the gold mining *sector. This week the sector has* moved uncertainly and the *Gold Fields price at 176p yester-*day has tended to drift.

Net attributable profits in the six months to December were £15.2m. against £13m. in the same period of 1976, while the interim dividend at 3.1916p showed the maximum allowed increase of 10 per cent.

While these figures are better *than those recently achieved by* many groups with mining *interests, a breakdown shows* that the performance is patchy. Profits from construction materials have markedly in-creased but a rise in the share of profits from associated companies—mainly GFSA—is largely due to share dealing.

Gold Fields expects that gold mining profits will be higher in the current half than in the first half. Certainly the bullion price has established a new trading range and closed yester-day at $179.375 an ounce, but the *contradictory reports* com-ing from Washington about *possible U.S. Treasury sales* continue to cause fluctuations in the market.

In the event of sizeable U.S. Treasury sales it is possible that the market price could react sharply and induce heavy speculative sales, thus checking the recovery in gold mine profits.

Where the group has gained considerable benefit is in the rise of the tin price which allowed **Renison Tin** in Austra-lia to make higher profits. Gold Fields stated that "the price of tin remains satisfactory" but with the London Metal Ex-change cash price down below *£6,000 after touching £7,355 last* December, it is less satisfactory than it was.

Of course iron ore remains a *problem, with* **Mount Golds-worthy** in Western Australia recording financial losses and seeking *price rises from un-*receptive Japanese buyers. Still, *this question of prices, not to* speak of deliveries, is common to the *whole Western Australian* industry.

MINING

PAUL CHEESERIGHT

Both the **Mount Newman** con-sortium and **Hamersley** of the **Rio Tinto-Zinc** group are trying to fend off the effects of Japanese demands for cutbacks greater than the permitted 10 per cent. drop from agreed contractual levels. Mr. Rus Madigan, the Hamersley chair-man, said yesterday that he hoped his company's shipments this year would be at the same level as 1977.

But the pressure of the steel recession on the iron ore pro-ducers is such that Hamersley is expecting a sharp drop in profits.

Hamersley is 54 per cent. owned by **Conzinc Riotinto of Australia**, which in turn is 72.6 per cent. owned by Rio Tinto-Zinc. The prospect of lower *Hamersley* dividends this year for CRA underlines the force of the prediction by Mr. Rod Carnegie, the CRA chair-man, in his annual statement.

"Unless there is a significant upturn in the economy attended by increased metal prices, 1978's operating results will be sub-stantially lower than those of 1977," he said.

At the start of this year only the group's aluminium and lead *businesses were experiencing* satisfactory demand. The imme-*diate outlook for coal* "is less buoyant" than in 1977 and *there are few signs of improve-*ment in the copper and zinc markets.

But Mr. Carnegie found some encouragement in the "welcome easing of cost pressure" as a result of the Australian Govern-ment's anti-inflation policies. In this respect the position of the Australian mines may be improving while that of the South African mines deteriorates.

Complaints about rising costs have been a feature of South African annual statements, especially the increase in power charges. This week there has been a striking example of management discomfort about costs with the **Anglo American Corporation's** decision to suspend the development of the **Afrikander Lease** uranium mine, on which feasibility studies had been completed.

The mine may go ahead at a later date but that seems to depend on talks with the South African Government. The pros-pect of a new mine was *the* sole reason for holding the *shares.* With the *prospect* diminished there has been a rush out of the stock, leaving the price at 165p yesterday compared with 270p on Wednesday and 425p last August.

Mr. Dennis Etheredge of Anglo American commented that Afrikander Lease had not been finding it difficult to find customers. Indeed, there was one piece of evidence early in the week that uranium oxide prices might be starting to climb again after holding around $42 a pound for spot transactions.

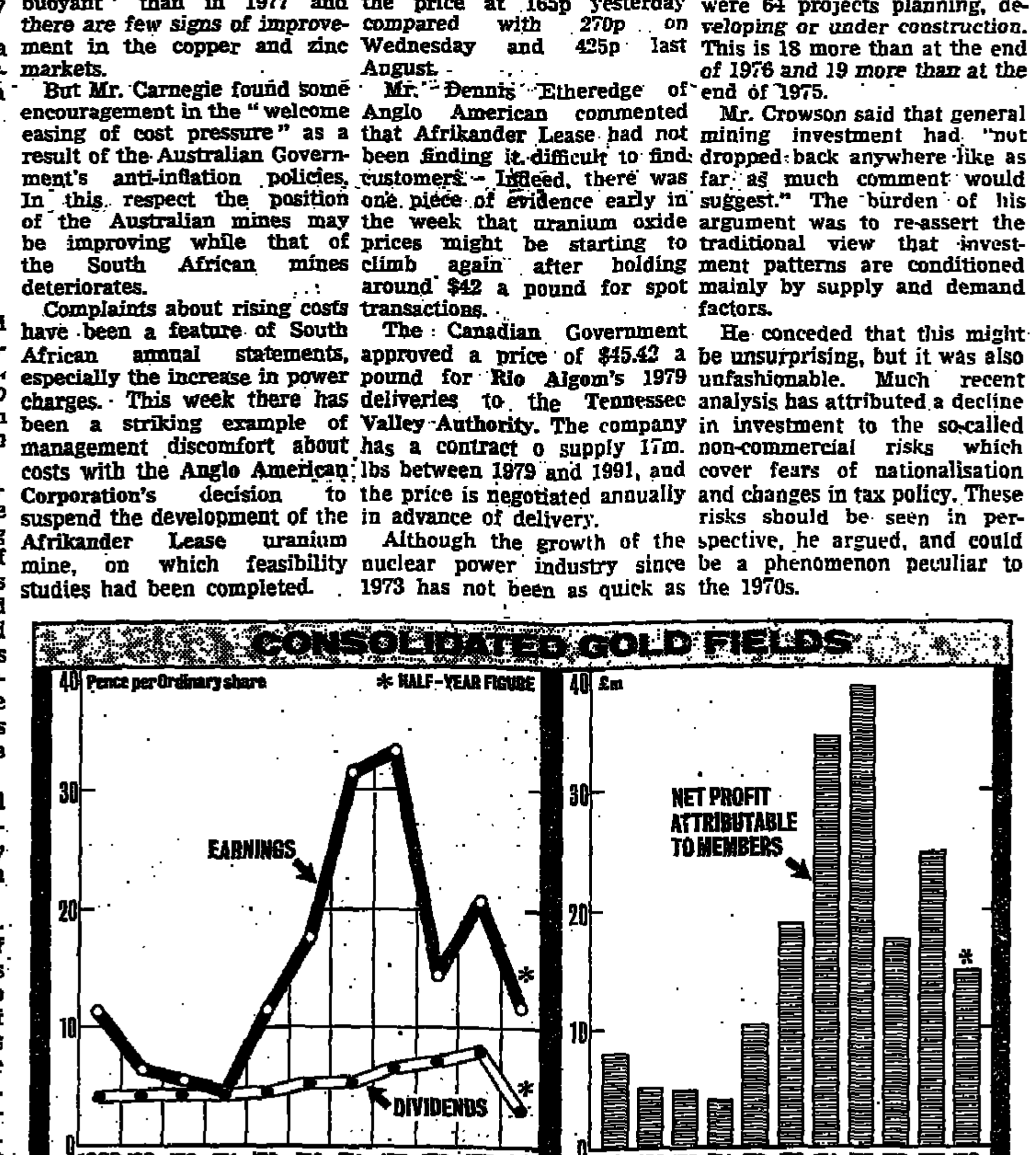
The Canadian Government approved a price of $45.42 a pound for **Rio Algom's** 1979 deliveries to the Tennessee **Valley Authority.** The company has a contract o supply 17m. lbs between 1979 and 1991, and the price is negotiated annually in advance of delivery.

Although the growth of the nuclear power industry since 1973 has not been as quick as once predicted, the confidence of the uranium industry remains strong. A statistical summary presented to the **Institution of *Mining and Metallurgy* by Mr.** Philip Crowson, the senior *economist* at Rio Tinto-Zinc, exemplified this.

At the en dof last year there were 64 projects planning, de-*veloping or under construction.* This is 18 more than at the end *of 1976 and 19 more than at the* end of 1975.

Mr. Crowson said that general mining investment had "not dropped back anywhere like as far as much comment would suggest." The burden of his argument was to re-assert the traditional view that invest-ment patterns are conditioned mainly by supply and demand factors.

He conceded that this might be unsurprising, but it was also unfashionable. Much recent analysis has attributed a decline in investment to the so-called non-commercial risks which cover fears of nationalisation and changes in tax policy. These risks should be seen in per-spective, he argued, and could be a phenomenon peculiar to the 1970s.



FINANCE AND THE FAMILY

Trespassing animals

BY OUR LEGAL STAFF

With reference to your reply under Trespassing cattle (December 17, 1977), in our case some goats stray into our garden from the neighbouring paddock and graze there fairly often. The paddock belongs to a neighbour and the goats to a rather simple young man with very limited means. Our own insurers will not insure us, so apart from putting up a stockproof fence ourselves, is there anything we can do?

The owner of livestock which causes damage by trespassing on your land (not coming in via the highway) is strictly liable for that damage under the Animals Act 1971. Moreover you have a statutory right to detain the trespassing animal and to keep it for 14 days and thereafter (if compensation for the damage has not been tendered) to sell it and apply the proceeds in satisfaction of the claim in damages. The Animals Act requires you to notify the local police station and the animal's owner (if known to you) within 48 hours of detaining the animal that you are holding if under distraint for damage caused by its trespass. Goats are within the statutory definition of livestock.

No prescriptive right

My mother bought a dilapidated pre-1900 cottage. During renovation work last year it appeared that a 6 inch storm water drain from the road had been inserted into a land drain under her land, none of these being shown on the deeds. We have told the council that we have no objection to the storm water coming across our land, nor seeking any redress for the settlement and damp caused, but we do want a proper drain to be built. They have, however, refused to pay for this, claiming a prescriptive right. What do you consider our chances of success if we sued them?

If the trespassing 6 inch pipe was laid more than 20 years ago a legal easement could be claimed by the Council. However, such a claim depends on prescription, for which the dominant owner (the Council) must show that the use of the drainage system was made openly and as of right. As the fact that the Council had tied into your drain seems to have been wholly concealed we think that the claim to a prescriptive right would fail. Moreover, any leak would constitute a fresh trespass and be actionable at your suit. We think therefore that you should succeed in an action against the Council. You should point out to the Council that its use of your drains, even if continuing for over 20 years (which is not admitted) was at all times until 1977 secret—in the old Latin phrase used by early lawyers it was "clam"—and that no easement is vested in the Council; and add that unless they agree to your proposal you will cut off their drain.

When probate is necessary

With reference to your answer under Probate not necessary (March 11), what would be the position if only some of the accounts were joint? Would probate be necessary only for that part not joint, thus reducing the value and presumably the tax? Would provision for a small legacy complicate matters?

Probate is only necessary for the property which falls into the estate of the deceased. Joint property accrues to the survivor. Therefore property which was held jointly both at law and in equity does not form part of the estate. The areas where difficulty may be encountered are where the legal estate is joint but there is doubt whether the beneficial interest is either severed or wholly vested in one only of the joint owners in law. What provision is made by way of bequest in the will is of no consequence in determining what propery (if any) falls into the estate.

Possession on retirement

I have a cottage I should like to let, pending my retirement, but just when this will be I am not sure. How can I do this, and yet be sure of keeping the tenant outside the protection of the Rent Acts?

You can let the cottage and still be entitled to possession when you wish to occupy it under Case 12 of the 15th Schedule to the Rent Act 1977. If you have yourself been living in the cottage you can also rely on Case 11. In either case the tenancy agreement must expressly refer to the fact that possession may be recovered under that Case.

A will before marriage

I am about to marry. (1) Does a previous will still hold good if one marries after the date of such will? (2) In the event of an accident in which both parties die, the wife being younger than the husband, would it be ruled then husband died first so that would the estate pass first to the wife and then to her beneficiaries? (3) If the husband's previous will was invalid because of marriage and the accident occurred on the honeymoon who are the beneficiaries? (4) I believe that there is a minimum that a wife can be left from her husband's estate. How much is this and is it irrespective of her own wealth? (5) It all seems to hinge perhaps on how soon a new will can be made after marriage or am I being unduly concerned?

1. No; unless the will is expressed to be made in contemplation of the marriage which is in fact solemnised.

2. No; the rule you cite applies between people other than spouses, and still applies between spouses who *both* leave valid wills. But it is presumed that the spouse of an intestate predeceased the intestate where it is uncertain in fact which spouse predeceased the other or where the deaths were simultaneous.

3. The husband's estate will be distributed as on intestacy but assuming that his wife died before him. The wife's estate would be distributed as directed by her will, if any, or on her intestacy, in both cases on he footing that the husband died before her.

4. This is not so. If a person dies without having made reasonable provision for (inter alios) a surviving spouse, that spouse may apply to the court for provision to be made out of the estate: there are no fixed figures or proportions.

5. As indicated above, it is possible to make a will before marriage which is expressly made to operate conditionally on the solemnisation of an intended marriage with a specified person.

Offsetting losses choice

I have a free-lance income in addition to that from my employment, assessed under Schedule D. In this connection I have been purchasing relevant equipment on which first year allowances are given. In some years this results in a net loss in my Schedule D income, part of which is normally carried forward against future Schedule D tax liability. Could such losses be offset against my own or my wife's Schedule E tax liabilities?

We take it that your freelance income is assessed under case II of Schedule D (not under case VI). That being so, you can claim relief under section 169 of the Income and Corporation Taxes Act 1970: the (excess capital allowances) loss will be set primarily against your earnings, then against your unearned income, then against your wife's earnings and finally against her unearned income.

Relief against your income of 1975-76 must be claimed by April 5. If you had a loss for 1974-75, you can claim relief against your 1975-76 income (provided your claim is received by April 5), but it is too late to claim relief against your 1974-75 income; it is also too late to claim section 169 relief in respect of losses for 1973-74 and earlier years.

There is a variety of choices open to you, according to the facts and figures for each of the years 1975-76 onwards, so it might be worth spending half an hour in a reference library with one of the standard works on income tax.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Chancellor Denis Healey at his desk this week.

The betting on the Chancellor

SINCE THE Chancellor has already made it plain that the main measure in the Budget is likely to be a cut in personal direct taxation, it's hardly surprising that this features largely in most of the outsiders' forecasts. Stockbrokers **Phillips and Drew**, however, reckon that the emphasis will be on cutting the taxes paid by lower income groups—probably by the introduction of a reduced rate band; and that there will be only a perfunctory increase in personal allowances (£30 in the single person's allowance, and £60 in that for a married couple). Between them these measures will mop up £2bn., and in addition the brokers expect small-scale relief for small businesses—direct tax relief and partial exemption from capital transfer tax—costing some £25m. They think that the rise in public spending will be modest—some £400m., spread over construction, health and social services, education and school meals. As for tax increases, they consider them unlikely from a Government intent on winning votes: in so far as there are any, they expect a 4p a packet rise in the duty on cigarettes.

Grieveson Grant reckon that direct tax cuts will be rather higher—some £2½bn., partly offset by increases in indirect taxation, though probably not in VAT or petrol. The Chancellor's largesse will, they reckon, be distributed in part to the lower-income group, where a reduced rate band is a possibility but not a certainty. But in addition they think that the standard rate of tax will be cut back to 32 per cent.—on an absolute basis, this time, rather than conditionally as in the last two budgets.

At **de Zoete and Bevan** they reckon that the stimulus to the economy provided by the Chancellor will be considerably lower than most people expect: £2bn. is the maximum that Mr. Healey can afford to let the belt out, they say, without ruining our position *vis-a-vis* our trading partners, and, in addition, stocking up a lot of wage inflation for 1979. As to how the money will be spent, the brokers are going for cuts in direct taxation by way of an increase in personal allowances and a couple of percentage points off the standard rate of tax. On the assumption that that will cost rather more than the Chancellor is going to spend, they are also looking for an increase in energy prices—with the abolition of the road fund licence as a sop to the Liberals—and an increase in corporate taxation, by way of some reduction in the present provisions for relief on stock appreciation. One final point: they think that there might be an introduction of tax relief on spending on energy conservation.

A time for wishful thinking on the Budget

WHAT THE Chancellor will do, of course, is by no means the same as what he ought to do. Granted that he doesn't have much more than £2bn. to give away, and that most of that ought to go in relieving the poverty trap, how else might he use his powers to produce the greatest happiness of the greatest number?

It is probably no more than wishful thinking, but maybe he could do it by simplifying matters somewhat. He could abolish some of the multiplicity of taxes beneath which we labour, thereby winning for himself, apart from all else, the undying gratitude of the Inland Revenue. He could abolish capital gains tax, which is unjust, inefficient, and brings in very little money. He could abolish the investment income surcharge, which falls on the widow and the millionaire alike, depresses the return from individual investment, distorts the market and, again, produces very little for the Exchequer. And finally—for the time being—he could abolish Stamp Duty, which is an anachronistic hang over from the eighteenth century, and a most unwelcome additional burden to those who are stretching their resources to achieve that goal to which all parties pay allegiance: owner occupation.

He would need to raise additional revenue to accomplish such destruction. He could perhaps standardise the rate of VAT, thereby raising some £600m. and bringing down upon himself the blessings of a multitude of small and semi-numerate traders. And, finally, he could put a few pence on the price of a packet of cigarettes. It might deter consumers—for a while; and it might thereby help keep down hospital bills. What's more he could increase the duty on drink as well.

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When the pain threshold is extended

INSURANCE

JOHN PHILIP

OF THE 188 recommendations for change in our fault-liability-injury-compensation rules made by the Pearson Royal Commission, the first 71 deal with our present law of tort (delict in Scotland) and the assessment of damages.

The Commission is firm—"the action of tort of which there are many criticisms, should nevertheless be retained. Liability in tort should remain a liability in negligence except where there are special reasons for imposing strict liability. . . . So far as possible the principle of making full reparation for the loss suffered should be continued. Damages should continue to be awarded for pecuniary loss and non-pecuniary loss, but changes should be made in the method of assessment and the method of payment."

This is why, if the Commission's recommendations are implemented in whole or in part, you and I will continue to require legal liability cover for claims arising out of motorong accidents, and out of non motoring accidents caused by outselves and our families, why employers will still need employer's liability cover and why manufacturers, wholesalers and shopkeepers will need products liability cover. We shall all continue to run the risk of having to compensate our victims according to the law for the injuries we cause them.

At present if you are injured, be it on the highway, at work, or elsewhere, you are entitled to claim against the wrongdoer and through him against his insurers for both pecunary and non pecuniary loss: the former includes the wages you lose, the medical expenses you incur, the cost of a convalescent holiday if justified. The latter is often described as damages for pain and suffering. In the vast majority of injury claims such damages are assessed by solicitors and insurers having regard to the many rules established by the judges in the few cases they have had to try

The Royal Commission proposes that there should be a three month "threshold"—for which period, if you are an accident victim, you should not be entitled to any damages what ever for pain and suffering. But if not fully recovered by the expiry of three months you would, from that time on, be entitled to damages, as at present, for the remainder of your period of suffering. But none of the Commission's proposals bar your right to the rest of the pecuniary loss damages you can get at present for the "threshold" period.

The Commission reckons that after accident your prime claim for that first three months pain and suffering should fall upon the D.H.S.S.—either for the existing (but augmented) industrial injury benefit for injury at work, or for the proposed motor injury benefit, or for sickness benefit for injury sustained in the home or at leisure.

Moreover the Commission says that there should be no duplication of compensation: therefore the full value of all benefit you receive from the DHSS, whether or not attributable to that first 3 months, should be an offset against the damages you recover from the wrongdoer or his insurers. According to present law, established in 1948, you must accept as an offset against damages 50 per cent. of the state insurance benefits payable during the first 5 years from the date of injury—so the Commission's proposals would reduce the total amount of compensation you might receive.

When you are seriously injured, long established legal practice—allied with commonsense—decrees that normally you wait till you are fully recovered (or so recovered that your health prospects can be predicted with reasonable accuracy) before getting your damages. These are then payable in one lump sum, to cover all aspects—past and future loss of earnings and expenses, pain and suffering and so on.

The Commission's report recommends changes—but on examination not so great as at first appear.

First, damages for pain and suffering (past and future) should continue to be payable by way of a lump sum. Then past pecuniary loss should be calculated as is done now and also paid as a lump sum. But for future loss of earnings and future expenses "periodic payments" should be the rule, and the level of these would be subject to review by the courts, to take account of changes in the victim's financial state brought about by altered medical condition.

The Commission recommends also that the level of periodic payments should be protected against inflation—but although various methods were considered by the Commission the recommendation is for a "fixed escalation scheme" whereby insurers would pay up to an agreed pre-fixed annual percentage and Government would supplement any adverse balance. Insurance funds would thereby be protected against the ravages of rapid or hyper inflation. The Commission reckons that insurers should be capable of setting up the administrative machinery to ensure regular, monthly, payments (no doubt the capability is there but the servicing cost might well be high).

The Commission suggests that it should be open to the parties, the claimant and the wrongdoer, to negotiate a lump sum payment if the claimant prefers, provided he clearly understands what he is doing: conversely it should be possible in the case of less serious injury for the claimant to obtain periodic payments.

So far as insurers are concerned, these periodic payment recommendations are perhaps the most controversial part of the Commission's prescription. Depending on how one applies the yardstick of serious injury, the recommendations could affect 20 per cent. of all injury liability claims that insurers handle (which currently involve 40 per cent. of insurers' claims outgo). It is here that any savings insurers might gain by the implementation of the three months threshold and no duplication rules could be quickly counterbalanced by increased payments for serious claims, and increased administrative costs.

Words of inten[t]

BY ADRIENNE GLEESON

FOR THE PAST couple of months Mr. Healey has been subject to a barrage of advice—from interested parties—on the shape of his forthcoming budget: and this seasonal pastime culminated this week with the contribution from the Liberal party. Mr. Healey himself, however, has had quite a lot to say about the matter. Below we give a brief guide to other people's assumptions, and do some wishful thinking of our own. For the moment, though, let's concentrate on the indications which the Chancellor himself has given.

Since February he has been pointing out that it would be necessary to stimulate the economy further, with a view to expanding output and reducing unemployment. Conventional words, perhaps, but Mr. Healey is, unlike his immediate predecessors, in a position to do something to put them into effect. Not the position that it was thought he might be, however; and it's been noticeable that the tone of his pronouncements on the budget has changed as the date has come nearer. Half way through February he was talking in terms of cutting the level of interest rates still further: more recently the emphasis has been very much more on the need not to overdo things, *for fear* of overheating the economy and sucking in a high level of imports.

What the Chancellor has made plain is that, in so far as there is to be an expansionary budget, the belt will be eased by way of cuts in direct taxation. He has also made it plain that he plans to help those at the lower end of the income scale—though the [...] of such assistance is still [...] clear. A further increas[e ...] allowances looks the [...] likely possibility: but the i[ntro]duction of a reduced rate [...] for those just starting to [...] tax has not been ruled out. [...] Chancellor has certainly [...] it plain that there is likel[y to] be some rise in public spend[ing,] singling out the Health Ser[vice] and education as the two a[reas] where that rise might [be] applied. He has said that [it is] important that public ser[vices] should be properly maintai[ned] even if a programme of sp[end]ing is to be accompanied [by] tax cuts.

Another area that the gov[ern]ment has made it plain th[at it] would like to help is s[mall] businesses, so further tax [con]cessions are to be expe[cted] there. Small businesses, an[d] others should benefit from [one] of the very specific meas[ures] promised for the budget[:] statement of the position [on] VAT on bad debts. At [the] moment anyone registered [for] VAT is required to account [for] the tax whether or not they [are] paid for the goods or serv[ices] supplied.

Among the other spe[cific] measures promised at [...] point are moves to relieve [...] payers of capital gains ta[x of] some of the effects of infla[tion] —*though* they will not, [in] all probability, *go* nearly [as] far as critics of the work[ings] of the tax would like. A ch[ange] of the tax position of North [Sea] divers has also been promi[sed.] But so too have been m[oves] which are less likely to pl[ease] those affected: moves to [...] the mushroom growth of [tax] avoidance schemes.

All revealed by Revenue

THERE ARE three new leaflets out from the Inland Revenue in this, the week before the budget of '78. Not that the contents of the first of them, *Income Tax and Widows* (IR 23), are likely to be affected by any of the Chancellor's decisions. The leaflet sets out to give a very simple explanation of her tax standing to the lady whose husband has hitherto handled all dealings with the Inland Revenue: and so far as it goes, it does the job admirably. In particular it gives a brief and reasonably clear run down of the sources of income on which the widow will be liable to tax—invariably a matter which causes much confusion.

The other two leaflets deal with rather more esoteric affairs. *Tax Treatment of Interest Paid* is a supplement to the booklet of the same name (IR 11 (1974)), which explains the circumstances in which tax relief can be given on loan interest. In particular this leaflet deals with the position of t[hose] who, by reason of their p[...] are required either to [...] abroad for a period, or to [...] in: in each case, the inte[rest] that they pay on a mortgag[e on] a house of their own within [the] U.K. may qualify for tax re[lief].

Finally, there is *Notes on* [*Ex*]*penses, Payments and Ben*[*efits*] *for Directors and Cer*[*tain*] *Employees*, which is a sup[ple]ment to the booklet of the s[ame] name and incorporates [...] changes made by the provisi[ons] of the Finance Act 1977. Es[sen]tially it covers the exclusion [of] directors of charities and [non-]profitmaking bodies, the [in]crease in the earnings limi[t at] which the special rules appl[y to] higher paid employees (f[rom] £5,000 to £7,500 a year), provision of living accomm[oda]tion, the treatment of expe[nses] incurred in connection w[ith] work done abroad, and be[nefi]cial loan arrangements. [...] need a copy of the Finance [Act] 1977, and the Income and C[or]poration Taxes Act 1970, to [be] able to make sense of it.

Children's savings

THOSE OF YOU who have children, godchildren, grandchildren or other juvenile connections who merit an occasional donation, would do well to pick up, next time that you are in the Post Office, a copy of a new leaflet from the Department for National Savings: *National Savings for Children*.

Title notwithstanding, it provides rather more than a simple description of the Department's wares—though there's that as well, with details such as the minimum deposit accepted, interest paid, and procedures for putting the money in and taking it out again. The leaflet looks, in addition, at the tax implications of a child's investment income, and in particular, at the implications for its parents' tax position. It goes, *inter alia*, into the advantages of using National Savings Certificates to provide a regular tax free income [to] meet expenses such as sch[ool] fees—though it has to be s[aid] that there is no way that [the] 1,000 units (£1,000) which a[n] individual may hold, can be [em]ployed to make more than [a] marginal difference to the pli[ght] of a parent paying those th[ese] days.

All in all, however this leaf[let] provides a more than usua[lly] thought-provoking addition [to] the reading matter available [to] those who must put up with P[ost] Office queues. Only the timi[ng] exercises my mind. Does t[he] Chancellor's right hand (t[he] DNS) know what his le[ft] hand (the Treasury) has pla[n]ned for us next Tuesday? Tho[se] in a position to benefit from t[he] information in this leaflet, h[ad] best be on the alert for an[y] amendment which might becom[e] necessary.

New lines in unit-linked

LAST YEAR 27 per cent. of new life business sold was unit-linked. This is certainly one of the growth sectors for the life assurance industry and the traditional life companies are now entering the field in increasing numbers. This week saw the entry of Crown Life, a major Canadian company which has operated in the traditional life field in the U.K. for over 40 years.

One's immediate reaction was to groan at the prospect of another one, and this could well have been the reaction of insurance brokers. But there is a difference in the product range offered by Crown.

There is the usual single premium bond and regular savings contracts, linked to the usual funds—equity, property, fixed interest, international and managed. There is also an investment trust fund.

But the major innovation is Crown's decision to offer investors an income facility with the single premium bonds, without the necessity of cashing in units, as with the normal withdrawal facility although such a facility is available. Crown has set up a special distributio[n] fund, to which the single pre[mium] bond can be linked. Thi[s] aims to provide investors wit[h] a minimum annual net yield o[f] 5 per cent., by investing in [a] wide spread of securities. Th[e] number of units held is never reduced. Indeed, if there is income in excess of the 5 per cent. to be distributed, then the number of units is increased. If there is an income shortfall then the investor gets a lower distribution.

The advantage of this system as against the withdrawal scheme is that the investor does not eat into capital when market values are depressed. Many investors saw capital invested through withdrawal schemes eroded during the dark days of 1974.

Investors are becoming more interested in the potential of linked-life assurance as a savings vehicle. But it is a difficult media to understand, and Crown has produced an interesting booklet setting out very concisely exactly what is offered. Although it emphasizes the plans marketed by Crown, it would pay interested investors to read it.

Self-employed savings

BY ERIC SHORT

WITH THE END of the fiscal year the self-employed reached a landmark this week. Their National Insurance contributions for the year 1978-79 are much lower, as you can see from the table. No longer are they being treated as milch-cows, financing the State pension scheme but getting very little in the way of benefits. The new contribution structure has been costed to reflect the benefits received, and the Government actuary has given a long explanation as to how he has done the costings for this year. Both the flat rate, class 2 payments, and the class 4 levy on profits are lower.

What are the self-employed to do with this increase in their cash flow? There are of course at least 101 ways in which this money can be spent. But first the self employed should take another look at the State pension scheme, which entered a new phase on Thursday. This will provide—when it reaches maturity in 1998—a decent earnings-related pension for all employed persons. But the planners at the Department of Health and Social Security did not know what to do, in devising it, about the self-employed: so they did nothing. The self-employed will still receive only the basic flat-rate pension—at present £17.50 per week for a single person.

So I would suggest that they use this heaven sent windfall (there must have been divine intervention for a Labour Government to give money back to the self-employed) to boost their pension arrangements. Though the State will not itself provide the self-employed with a decent pension, it does encourage them to make their own provision through a life assurance plan. The most provident of the self-employed already use this facility.

Annual Profits £	NI Savings 1978-79 (men) £	Grossed-up Savings at 34% £
6,250	127	192.42
5,500	164	248.48
4,000	119.52	181.09

For women the net savings are £5.72 lower.

A life assurance contract is the most tax-efficient means of providing for a pension—you get full tax relief on the contributions, investment is made into tax-exempt funds, and there is a tax-free cash sum at retirement plus a pension taxed as earned income. Try to do it yourself and you will be clobbered at every stage by the taxman.

Now, you should bear in mind that your National Insurance contributions were not eligible for tax relief, but your pension contributions will be. So you can afford to pay out more than the actual monetary savings, without impairing your cash flow.

If you already have made reasonable pension provision, but feel that you would like to invest the money that would have gone into the NI scheme, may I suggest that you be more adventurous this time, and look at the potential of unit-linked contracts. These carry an investment risk, but the rewards are correspondingly greater. You could take out single premium contracts, varying your investment each year according to market conditions. But if you are taking action for the first time, then it is preferable to stick to a contract which provides secure benefits—a with-profits or a building society-linked scheme.

Investing in a hard currency

RIGHT AT the start of this series I said that one of the striking facts to emerge from any study of offshore funds was the vital importance to the investor and fund manager alike of the currencies through which his investment was to be channelled. And two of the funds under consideration this week illustrate the point.

The two funds run by Lloyds International Management, a wholly-owned subsidiary of Lloyds Bank International—itself, in turn, a wholly-owned subsidiary of Lloyds Bank—are amongst the very, very few to be denominated in Swiss francs. Now the Swiss franc has over the past ten years been one of the strongest currencies going, and that can, for an international fund, be something of a disadvantage. It means that any attempt to invest in currencies other than the Swiss franc is all but certain to show up ill, at any rate on a medium-to-long-term view, in the currency of denomination.

Translate that performance into a currency other than the Swiss franc, however, and you have a very different situation. Thus the 37 per cent. decline in capital terms which the Lloyds International Income Fund is showing over five years, as measured in Swiss francs, emerges in dollar terms as a rise of 8.9 per cent., and such has been the depreciation of the pound within that period, that the fortunate sterling investor will have seen a rise of 44.7 per cent.

It's true, of course, that we have recently been through a period of unprecedented monetary upheaval, and there's no saying that other currencies will continue weak against that of Switzerland. On the other hand, the omens for monetary stability could hardly be described as promising. But those who want to play safe by investing through what has, traditionally, been one of the strongest currencies around, have something of a problem to overcome in doing it for the Swiss authorities have imposed penalties to discourage them. Investing through a Swiss-based fund, such as the two run by Lloyds International Management, is the only way of getting into the Swiss franc without incurring those penalties.

It has to be said, however, that these two funds in particular are not for the man of modest means. In each case, the effective minimum investment accepted is quite steep, and although some form of assurance link-up is under discussion, the management is in no hurry to tie it up. So there is no access to the funds by way of a savings scheme.

For those with sizeable funds to invest they do, in addition, provide active portfolio management, tailor-made to individual requirements.

Finally, a word about Lloyds Trust Overseas, which is run by a subsidiary of Lloyd Bank itself. This is an offshore fund insofar as it is run out of the Channel Islands, and carries certain tax advantages: but it isn't really designed for the overseas investor: it's a fund for U.K. residents who want to invest abroad by way of a vehicle which uses back to back loans rather than an investment through the dollar premium.

ADRIENNE GLEESON

Institution/fund	Currency	Listed	Valuation	Minimum purchase on issue	Initial charge %	Annual charge %	Asset growth over 1 year	Asset growth over 5 years
Lloyds Bank (CI) Unit Trust Managers								
Lloyds Trust Overseas	£	—	Monthly	£500	5	1	—	NA
Lloyds International Management SA								
Lloyds International Growth Fund	Sw.Fr.	—	Weekly	10 units*	3.5	1	—26	—36.4
Lloyds International Income	Sw.Fr.	—	Weekly	10 units*	1.75	¾	—10.9	—37

* No stated minimum, but this is the effective limit

Trading in the new Amsterdam options market.

Eyes on Amsterdam

AMSTERDAM'S newly-opened traded options market handled a total of 1,199 contracts in its first two shortened trading sessions this week. Turnover rose from the respectable figure of 531 contracts on Wednesday—compared with a turnover of 600 contracts on the opening day of the Chicago Board of Options Exchange in 1973—to 668 on Thursday. The European Options Exchange (EOE) has the advantage over Chicago in that traded options are now an accepted investment form. But there remain question marks as to the willingness of the European investor to undertake the risks.

The EOE's dependence on rapid and reliable information on the movement of the underlying stocks was apparent from the first. Problems in getting up to date stock prices from London hampered dealings in the three U.K. options—BP, ICI and GEC—for most of the first day's trade and prices were coming through much delayed on the second day as well.

Traders reported that interest in the first two sessions was split about 60/40 between professional and public orders with the institutions so far showing little interest. Much of the business came from Holland where the EOE has naturally received most publicity. Some Dutch banks have been more active than others in seeking out retail business but they are confident the potential market is there among their clients in Holland and abroad.

Cleaning up insurance sales

LAST WEEK I discussed clipboard sales, and how public opinion had forced the end of this dubious practice. This week, Mr. Stanley Clinton Davis, the Parliamentary Under Secretary of State for Companies, made it clear that the Govenrment intends further to protect the consumer in the insurance field from all types of dubious sales. He is going to clean out the Augean stable of insurance selling.

The first attack will be by way of the introduction of a cooling-off period for potential policyholders. The Government hopes to introduce the necessary regulations later this year. We have discussed such proposals before, but to refresh readers' minds, this will mean that any policyholder taking out a life assurance contract has 10 days in which to decide whether or not to implement the contract. He can change his mind during that period, and withdraw from the transaction without loss.

The Department of Trade has sought the views of the life assurance industry. Some linked life companies already operate a cooling-off period, and provide a document setting out exactly what are the benefits and conditions under the contract, including surrender penalties. But the traditional life companies seem opposed to the idea on cost grounds. In the spate of annual reports now appearing, chairmen are describing such moves as a waste of time and money, and claiming that they provide no protection that does not already exist.

There is no denying that such a cooling off period will add to the costs of writing new business, and that existing policyholders will have to pay for it. But a prospective policyholder should be given the necessary time to reflect on whether the proposed contract does meet his needs. He should know that by law he can refuse to take up the proposal and not suffer financial loss. We are usually reluctant to make a fuss unless we know that we have the law behind us.

By itself, this proposal should be sufficient to stop dubious selling. The agents are not going to waste time selling contracts that are not going to be taken up. Companies are going to clamp down on agents with a high level of abortive contracts, because they cost them money. But is the Government going to stop there? Not on your life, if you will excuse the pun. Mr. Davies has a further host of measures designed to protect the consumer from himself.

The Government's plans include limiting insurance sales to certain defined channels and dealing with doorstep selling of insurance contracts and misleading advertisements.

Mr. Davies wants the insurance salesmen to regulate themselves on the lines that the insurance brokers have adopted, and he warned the insurance companies that if they were slow to act upon their responsibilities, then there could be a system of direct Government control. The Life Offices' Association has made it clear to the Government that sales methods are the responsibility of individual companies, and it is not the role of the Association to interfere. And which company is going to discipline the most productive agents for high pressure salesmanship?

Mr. Davies gives the impression that he is determined to stamp out high pressure insurance sales. I have always contended that the best solution to such salesmanship is a high pressure boot.

Money left to the care of the courts

THE PUBLIC TRUSTEE Office put out yesterday, as manager, its report on the Common Investment Funds. These ought to be familiar to those who have funds under the care of the courts—or who have connections whose funds are so disposed.

There are three of them: a Capital Fund, a High Yield Fund, and a Gross Income Fund; and what they are is straightforward unit trusts with one distinction: only those whose money is under the care of the courts can invest in them.

The funds were created in 1965, to reflect the slow realisation within the judicial machine that inflation was playing havoc with the real value of monies invested in War Loan and Consols. Since then the Capital Fund, in particular, has done well for its beneficiaries.

Who are those beneficiaries? In the main minors whose assets have been left under the care of the courts: but they might also be people with mental illnesses or—increasingly—those who have received large sums in compensation for injuries received.

An option to buy

OVER THE PAST three weeks I have been looking at the general principles underlying the introduction in London of a market in traded options, and its relevance to the people who would like to buy call options, and to those who would like to write (sell) them. This week, let us take a look at how the market itself will work.

It will, for a start, be situated on the floor of the Stock Exchange, and it will operate under the control of the Stock Exchange. It will be possible to deal between ten in the morning and half past three in the afternoon: not at other times. The investor who wants to deal must put his order through his broker, who may—or may not—be a clearing member. If he is a clearing member he will deal: if not, he must go via another broker who is.

The broker who is to execute the deal needs the following details: the name of the class of options (that is, in what underlying share); the series within the class (what exercise price and expiry date); the number of contracts in which he is to deal (each conferring the right to buy 1,000 shares at the exercise price); whether he is to buy or sell those contracts; the premium (the cost of buying the option); whether the order is to open or close a position; and whether, if the order cannot be executed immediately, it is to be left on the board for execution later. If so, it must be designated either good for the day (GD), or good until cancelled (GTC).

Armed with all this the broker who is to execute the deal will come on to the dealing floor and make a beeline for the option pitch at which that class of options is traded. At the pitch will be the board dealer, a jobber appointed to act for that class of options. He is the custodian of the public limit orders—orders which cannot be executed immediately and have been left on the board. He is responsible for ensuring that there is an orderly market.

The board dealer is allowed to trade for himself, but most deals will be made amongst the crowd in front of his pitch. The crowd will consist of market makers, who will be doing business on their own account—they will, in the main, be jobbers; and brokers who have access to the market either as members in their own right, or through another member.

The broker who wants to deal, having reached the relevant pitch, asks in a loud voice for the price of the option series that his client wants. The board dealer will give him a quotation—based on the public limit orders left with him, or on his own account. If the market markers in the crowd want to deal at a better price, they promptly join in with an outcry, while the others brokers there might also offer to deal through the board dealer.

Even if the broker who came in to deal doesn't like the prices that he is offered, the crowd can deal at the prices named. But public limit orders take precedence over all other business at their price. So the investor who has placed a public limit order and then repented of it, must withdraw it straight away.

Invest in America now with Tyndall

∗ A stake in the world's richest economy.
∗ A chance to benefit from today's strong £.
∗ An opportunity to invest when US shares are cheap.

Many shrewd investors see the good sense of having a part of their investment in the US now.

Tyndall believe that the economic facts justify a higher level of prices for US shares, which today stand at attractively low prices, and that a change of mood could produce substantial gains for investors.

Economic Strength
On such fundamentals as profits, dividends and assets, American shares are now cheaper than they have been for decades. Yet the US economic indicators are strongly favourable, with an inflation rate of 6.7% last year and a rise in GNP of 5% in real terms. Corporate profits too continue to grow at a sustained pace.

This is why Tyndall believe that now could be a good time for investors to put some of their money into America.

Benefit from Tyndall experience
For the first time investors can benefit from a unit trust managed by Tyndall, the London Wall International Fund, which is now investing exclusively in American shares. The Tyndall Group have extensive experience in American investment from their substantial overseas involvement over the past 10 years.

The portfolio of investments will consist of those leading US shares which Tyndall believe are now especially undervalued, and is invested through the premium currency pool.

Today's strong pound means that British investors get more dollar stocks for their sterling. You take advantage of this favourable exchange rate by investing now. For your information the estimated gross commencing yield on 4th April 1978 was 3.32% and the offer price 29.8p.

Remember that the price of units and the income from them can go down as well as up. You should regard your investment as long term.

How to invest
You can invest from £500 upwards in the London Wall International Fund by completing the coupon below and sending it with your cheque.

Important Details

Units, which are dealt in daily, will be allocated at the offer price prevailing when your completed application is received. Unit prices and yields are quoted in most national daily newspapers. The minimum investment is £500.

To invest, fill in the coupon or talk to your financial adviser without delay. Applications will be acknowledged and your certificate sent within 35 days.

If you wish to sell your units, the Managers will purchase them at the bid price on any dealing day. Payment will normally be made within seven days of the receipt of your renounced certificate.

All unit holders receive their distribution, net of tax at the basic rate twice a year on 1st May and 1st November. Investors now will receive their first distribution in November 1978.

An initial management charge of 5% is included in the buying price of the units. A half yearly charge of 3/16 of 1% (plus V.A.T.) of the Fund is deducted from the Trust's income.

The Trust is authorised by the Secretary of State for Trade and the units are a "wider range" investment under the Trustee Investments Act 1961.

The Royal Bank of Scotland Limited is the Trustee and holds all the Trust's cash and investments on the unitholders' behalf.

APPLICATION FOR UNITS

Applications should be sent to:
The Tyndall Group,
18 Canynge Road, Bristol BS99 7UA.
(Registered No. 792314, England)

I enclose £ ______ for investment in London Wall International Fund, at the offer price ruling on the day you receive this application. Minimum Investment £500. Cheques should be made payable to The Tyndall Group. Commission of 1¼% is payable to recognised agents.

Surname (Mr, Mrs, Miss or title)
Christian Names (in full)
Full address

*I declare that I am over 18, and am not resident outside the UK or Scheduled Territories and that I am not acquiring the units as the nominee of any person resident outside those Territories.

Signature

* If you are unable to make this declaration, it should be deleted and the form lodged through your bank, stockbroker, or solicitor.
Offer not available to residents of Eire.

FT8/4/78LWI

London Wall International Fund
A Tyndall Group Unit Trust
Member of the Unit Trust Association

SAVE & PROSPER U.S. GROWTH FUND

For those seeking investment opportunities in America.

Following the further deterioration on Wall Street since the beginning of the year, the present level of share prices has in our view created excellent buying opportunities.

While no-one can doubt the significance of certain unsettling factors, notably the lack of confidence in the Carter administration and the continued weakening of the US dollar, more optimistic observers would argue that they have already been largely discounted in the present level of share prices. On a historical basis, shares are selling at very low levels in relation to companies' underlying assets and earnings.

Supporters of the market at current levels are also encouraged by the reduction in the yield gap between fixed-interest investments and equities and, on the broader economic front, by forecasts of 3-4% economic growth in 1978; this must be considered very satisfactory compared to that of other major world economies.

If, like us, you take this more optimistic view and maintain that these positive factors will, in due course, be reflected by a strong performance in the equity market, we believe that you should consider investing now in Save & Prosper US Growth Fund.

United States Growth Fund

For the private investor this fund offers a practical and effective way of taking advantage of opportunities in the United States. The objective of the fund is to provide a portfolio invested in shares of US companies and as such provides a far wider spread than you could readily achieve on your own behalf.

Past performance

Since the launch in March 1964, the fund's offer price has increased by 91%. This compares with a rise of 14% in the Standard & Poors Composite Index (123% when adjusted for exchange rates and investment currency fluctuations.)

While currency management is provided within the fund, changes in exchange rates and in the investment currency premium can affect the value of your investment as much as stock market fluctuations. An investment in this fund should be regarded as a long-term one.

Remember the price of units and the income from them can go down as well as up.

About Save & Prosper

Save & Prosper Group was founded in 1934 and in addition to being Britain's largest unit trust group is a major force in the life assurance, pensions and annuities field.

At 1st January 1978 the group managed £875 million on behalf of more than 700,000 investors.

How to invest

To make a lump-sum purchase, please complete and return the coupon below together with your cheque. You will be allocated units to the full value of your remittance at the offer price ruling on receipt of your application. The minimum initial investment is £250.

On 5th April 1978 the offer price of units was 71.6p xd giving an estimated gross yield of £2.90% p.a.

If you require any further information on the fund, we suggest you consult your professional adviser, or contact our Customer Services Department at the address given in the coupon below.

Advisers requiring further details should contact Save & Prosper Services on 01-831 7601.

GENERAL INFORMATION
Trust aim. The aim is to provide a portfolio invested in the shares of US companies. Income is not a consideration in managing the fund.
Units are easy to buy. Units may normally be bought and sold on any working day. However, in exceptional circumstances the Managers reserve the right to suspend price quotations pending their revaluation.
And to sell. The Managers will normally buy back units, from registered holders, free of commission, at not less than the bid price calculated on the day your instructions are received, in accordance with a formula approved by the Department of Trade. They may also be sold back through an authorised agent who is entitled to charge commission. Payment is normally made within seven days of our receiving renounced certificate(s).
Safeguards. The trust is authorised by the Secretary of State for Trade, and is a 'wider-range' investment under the Trustee Investments Act, 1961. The Trustee is Bank of Scotland who holds the title to the trust's investments on behalf of the unitholders.
Charges. The offer price currently includes an initial service charge not exceeding 5%, and a rounding adjustment not exceeding the lower of 1% or 1.25p. Out of this, commission of 1¼% (plus VAT where applicable) will be paid to banks, stockbrokers, solicitors, accountants and qualified insurance brokers on applications bearing their stamp. In addition, a half-yearly charge, out of which Managers' expenses and Trustees' fees are met, is deducted from the trust's assets. This charge is currently 18.75p per £100 on which 8% VAT is payable making a total deduction of 20.25p per £100.
Income. Distributions of net income are made on 15th April each year. These can be reinvested in further units if you wish. US Growth Fund units are at present 'xd' which means that you will receive your first distribution of income on 15th April 1979.
Managers. Save & Prosper Securities Limited (a member of the Unit Trust Association), 4 Great St. Helens, London EC3P 3EP.

Application for a lump-sum purchase of
US GROWTH FUND UNITS

Save & Prosper Securities Limited, 4 Great St. Helens, London EC3P 3EP. Tel.: 01-554 8899. Registered in England No. 788728. Registered office as above.

To purchase units please complete and return this form, either directly or through your bank, stockbroker, solicitor, accountant or qualified insurance broker, together with your remittance. We will acknowledge receipt of your application and remittance and will normally despatch a certificate for the units within 14 days. Cheques should be made payable to "Save & Prosper Securities Limited". This offer is not available to residents of the Republic of Ireland. (Insert amount of remittance)

Please issue to me United States Growth Fund units to the value of £ ______ calculated at the offer price ruling on receipt of this application. (Minimum initial purchase £250, £50 for subsequent purchases.) A remittance is enclosed.

Mr/Mrs/Miss
Full Name(s)
BLOCK CAPITALS PLEASE
Address

Agent's Stamp

I declare that I am over 18 and am not resident outside the UK or other Scheduled Territories and that I am not acquiring the above units as the nominee of any person resident outside these Territories. (If you are unable to make this residential declaration it should be deleted and the form lodged through your UK bank, stockbroker or solicitor.)

Signature Date

Existing United States Growth Fund unitholders please tick here.
If you would like distributions of income to be reinvested in further units please tick here.
If you would like details of the Share Exchange Plan please tick here.

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415/FT/1

SAVE & PROSPER GROUP

MOTORING

Aston Martin V8

The high power game

BY STUART MARSHALL

WHEN YOUR tank is full, the roads seem to be lined with superfluous petrol stations but when the needle is on zero, you can drive for miles without seeing one. To make it worse, the tanker drivers were working to rule when the Aston Martin's warning light began flashing.

After tip-toeing along at 40 mph for nearly half an hour I found one that was open but the blackboard propped against the pump said: Sorry — two gallons only.

Feeding an Aston Martin two gallons is a bit like throwing a lamb chop to a starving lion: they weren't even enough to stop the fuel warning light from flashing. Still, with the bottom of the 25-gallon tank moistened, I made it to the next station with supplies.

From which it is clear that the Aston Martin remains a thirsty beast even if recent modifications are said to have cut its consumption somewhat as well as boosting power by 15 per cent. (The actual output remains a mystery. Like Rolls-Royce, Aston Martin murmur "sufficient" when asked, but it is probably a shade over 300 bhp.)

If you can afford to buy (and insure) a £19,000 supercar like the Aston Martin, petrol consumption in miles-per-gallon terms is a matter of academic interest. How often you have to stop to tank up is what counts on a long fast journey. On the autobahn at 120 mph, a gallon would probably go every ten miles or five minutes, giving a hard-driving range of a little over 200 miles between fill-ups.

But my third test of the car since it appeared more than eight years ago as the DBS V8 was in Britain, where for a mixed bag of town and country motoring I scored a little over 14 mpg. And that means a full tank would take the car over 300 miles before the warning light began to flash.

Each time I drive the Aston Martin I get on better terms with it. It is almost deliberately old fashioned in some respects, like a man who persists in calling airfields aerodromes and who speaks of gramophone records, not discs. For example, the pedals stick up from the floor instead of hanging down from under the fascia and the handbrake is of the "fly-off" kind, like a pre-war Riley Nine's. The styling is beginning to date, too.

The suspension was softer than I had remembered when I last drove the V8 around four years ago. The power steering (still razor sharp) was lighter and the brakes even heavier. Compared with newer supercars like the Porsche 928, the Aston Martin feels rather a blunt instrument and its ride qualities and noise levels hardly stand comparison with those of the less-expensive Jaguar XJ-S.

All that having been said, however, the AM V8 is a car of great character that gives its best in return for skilled treatment. People who buy them tend to be motoring connoisseurs of mature years; it is not a pop singer's or a whiz-kid asset stripper's kind of car.

It is, of course, very fast indeed. Aston Martin claim a maximum of 150 m.p.h. for the manual gearbox version, and I believe them. The automatic, which remarkably is £1,000 cheaper than the manual, is marginally slower but, for me, a nicer car for everyday driving. A clutch strong enough to transmit 300 horsepower can feel disagreeably heavy when you are inching your way home in the evening rush-hour.

At low speeds the ride is knobbly and you feel the great fat Avons reacting to every bump. On the motorway, though, the Aston Martin is extremely comfortable. The tyres grip exceptionally well in the wet, which is more than could have been said of the first AM V8 I drove in the early 1970s. Then, if the accelerator was more than tickled in the lower gears, it led to instant wheelspin and tail happiness. Very high-speed tyres have come on a lot of late.

Alas, the lock is still so poor that I had to take two bites at some of the turns in a City multi-storey car park. The sheer width of the car can also be embarrassing in town traffic or narrow country lanes. And the huge bulge on the bonnet top over the carburettors does nothing to improve forward visibility.

The front seats are ideally shaped and offer club armchair comfort. They have enough adjustment to deprive rear passengers of any legroom. While superb long-distance transport for two, the AM V8 is at best a cramped four-seater. The boot space is far from lavish, too. Air conditioning is standard; so is leather upholstery. If you are worried about shining your suit, you can have lambswool seat covers—at £122.85 each.

Speeding up the slow-coach

GOLF

BEN WRIGHT

IF ONE subject plagues my postbag more than any other it is irate club golfers complaining about the inordinate amount of time that the touring professionals take to play the game.

They claim, with some justification, that the bad example set at the top percolates right through golf so that the local hacker imagines that the only way to hole a putt is to perform a kind of histrionics that, say, Lee Trevino goes through before settling over the ball.

Slow play is the subject of more bar boredom than perhaps anything else. Everyone has their own instances of how the fourball in front lost a hole and a half in only five holes, and it is also a truism that it is always the fourball in front, never the fourball one is actually playing in that is losing its place on the course.

People who play slowly have been accused of many things. They spoil the enjoyment of amateurs, they retard the chances of professionals trying to make a livelihood and they could, it is alleged, even kill the golf boom by making a round of golf a day-long affair.

All of those things are true to some degree, particularly here in America, where nine holes before and after lunch have become a commonplace. Tennis, it is said, owes its own boom to the fact that you don't have to spend all day on court.

That being so, Deane Beman's announcement during the Masters at Augusta this week that slow players are to be identified, penalised and fined is particularly welcome. Beman, the U.S. PGA tour commissioner, is a man surrounded by controversy but his latest ideas seem certain to be welcomed, in the first place by about 90 per cent. of touring professionals, and ultimately by 100 per cent. of club golfers.

Beman has evolved a method which, he hopes, will bring the slow players to heel. The time taken for a threeball on the U.S. tour had soared to nearly five hours before he issued a series of warnings which brought the time down to four and a-half hours. But recently this has crept up to four and three-quarter hours which has prompted this latest blast. The time must, says Beman, come down to four hours.

Beman commissioned a consultancy firm, a type of time and motion study team of experts, who were sent out on the tour with stop watches to time players from the moment it became their turn to play a shot. He came up with some fascinating figures. Over a period of nine tournaments it was found that it took a player 27 seconds to play a second shot, 30 seconds to play chips and bunker shots, 38 seconds to play a first putt and 14 seconds for a second putt.

This, they decided, was too long. In an attempt to cut the averages they have decided to continue the timing exercise for a further nine tournaments and, at the end of that time, work out the individual averages for every professional on the tour. These will then be sent to the individuals concerned and also to every other player on the tour. In turn that will mean that every professional will know whether he conforms to the required averages and also whether or not his colleagues do. The guilty men will be both known and named.

If they continue to infringe the new rules, fines will be instituted. For first and second offences there will be a $200 fine but for the third this will rise dramatically to $1,000 and a three-tournament suspension.

Peter Oosterhuis who in his European days was frequently accused of being slow welcomes the institution of penalties, particularly the financial ones. He says: "The player who is being slow is often taking a lot of shots. A two-shot penalty when he would have missed the cut anyway wouldn't bother him. But if he thought he might have to miss the next three tournaments that would be entirely different.

"I think that what Beman wants is to change the routine of players. So often you play your own shot, turn around and find that the man whose turn it is next hasn't even put his glove back on, or worked out his yardages. If you are in contention yourself this can be extremely irritating and I have often felt like playing out of turn because I've been ready long before the man who should be hitting.

"It's a relatively simple matter to go to work on your own shot while walking to it and while the others are working on theirs. The time saved should be enormous."

Hopefully Oosterhuis is right and hopefully the youngsters now being indoctrinated with slow play will be rescued before it is too late.

The leaders board at the U.S. Masters had a slightly unlikely look about it after the first round. Of the seven players under par only Lee Trevino (70) has won a championship and the

AUGUST, GA., Apri

Tom Watson: on form in Au

general consensus is tha likes of John Schlee (68) Inman (69) and Billy Kr (70) will wake up shortly realise that they are at Au

There was, however, a pressive array of talent i group on level par, 72. Pate, Gary Player, H Green, Tom Weiskopf, Nicklaus and Gene Little know what it is to win a m while on 73 Hale Irwin menacing look about him.

Outlook divided

CRICKET

TREVOR BAILEY

ALTHOUGH THE sentiments of "play-up play-up and play the game" are, rather sadly no longer fashionable, cricket has largely remained a civilised sport, almost a way of life, played and administered by people who love the game passionately. It is, therefore, sad to find the chaos, uncertainty and division in first-class cricket at this moment, a direct outcome of the Kerry Packer world series in Australia.

In Australia, Greg Chappell, who deliberately resigned the Australian captaincy and joined the W.S.C. has added a touch of unintentional farce by wanting to call in a politician to resolve the difficulties—David Owen, perhaps?

In Britain the issues have become even more confused than in the rest of the cricketing world. Following the inevitable defeat of the TCB in the High Court which forced the counties to give their Packerites contracts for this summer, the professional players themselves have swung heavily in favour of positive action against those under contract for World Series Cricket. This move has been spearheaded by members of the England touring party, who had already indicated their views when threatening not to play against Pakistan, if they included Packer players.

Proposals are to be put to the meeting of the Cricketers' Association on April 13, which seek to bar completely Packerites from domestic, as well as Test cricket. Another proposition, rather strangely coming from Hampshire, who depend so much on Richards, Greenidge and Roberts, wants to limit the number of players in a county eleven to only one who is unavailable for England selection.

Whether these resolutions will be passed, or indeed are legally enforceable, they clearly show that the players believe the WSC represents a serious threat to Test cricket.

The attitude of county committees, members and supporters is very divided. Kent have informed their four Packer players that their contracts will not be renewed after this summer, while in contrast Somerset, and presumably Gloucestershire, will want Vivian Richard and Mike Procter to continue playing for them.

The Kent decision underlines one aspect which saddens me, because this will be the last summer when Derek Underwood will be available to represent them. The game and the county must be the poorer as not only is Derek a great bowler who has never given less than his best for his county and his country, but they also do not come any nicer.

Sussex were certainl favour of including P players, as they showed they re-appointed Tony as their captain. Subsequ they have taken the capt away from him because c caustic comments on Bo For the same offence, Ton been banned from c cricket, for two months, is rather ironic when remembers that if he wanted, he could still have captain of England, alt with less money in the ba

The attitude of the c professionals which is s to that of the Establish would seem to suggest con isolation for the cricketers as soon as it i sible. This cannot l Packer, who must want his to be in practice and i limelight.

Cities worthy of a longer look

TRAVEL

PAUL MARTIN

CONTINUING its own tradition of concentrating on specific aspects of the wealth and variety of art and history in Belgium, the Belgian National Tourist Office is trying to focus attention on a particular work of art in each of seven cities, Brussels, Liège, Namur and Tournai and the three great Flemish art centres, Antwerp, Bruges and Ghent.

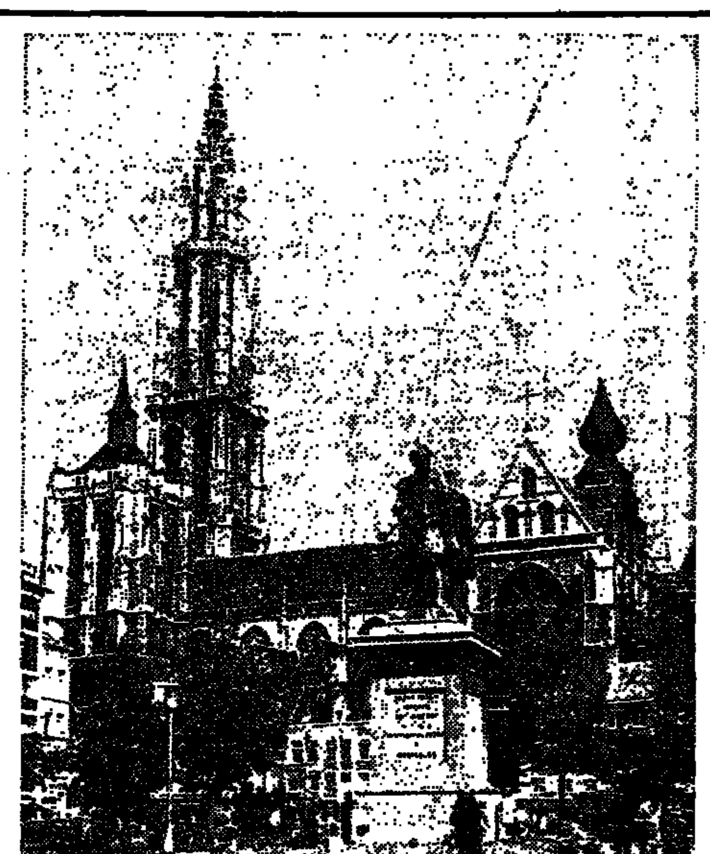
Antwerp was very much in the news throughout last year when visitors from all over the world attended the celebrations marking the 400th anniversary of the birth of Rubens. Although the major exhibition, gathered together from sources as diverse as the Ashmolean in Oxford and the Hermitage in Leningrad, now belongs to a very recent past, a great many of the painter's works are on permanent display, many of them in the settings from which Rubens originally conceived them.

While he will always be identified with Antwerp, Rubens was an early example of composite European man, a painter and a politician. Although we tend to think of him as Sir Peter Paul Rubens, he was born in Germany and, following a long period in Italy, usually signed himself Pietro Pauolo.

Last year's celebrations have already produced long-term benefits and a welcome restoration fever in Antwerp. There is now a pleasant pedestrian precinct around Rubens' house just off the principal thoroughfare, Meir. More masterpieces can be seen in the Plantin-Moretus Museum and the famous triptychs are in the splendid cathedral.

Rubens was buried, in accordance with the instruction in his will, in St. James's parish church with his own masterpiece "Maria with the Saints" set above his last resting place.

When in Antwerp last summer, I heard this delightful description of Rubens as a diplomat, a major painter and a shrewd businessman. When a commission came in to paint a royal personage—the lady was over-generously endowed with chins—he diplomatically "lost" two of them, painted a masterpiece and, of course, charged a fat fee!



Antwerp

Ghent with its superb skyline, is best seen from the castle of the Counts of Flanders. Make the climb towards sunset. The grouping together of the belfry tower, and those of the St. Bavon cathedral and St. Nicholas church, all three piercing towards the heavens, quickly transport the visitor back to the Middle Ages.

In the days when private patronage flourished, the wealthy of the period commissioned works by the great masters of the day and a likeness of one sponsor, a wealthy textile merchant, can be seen in one of Ghent's great art treasures, the Jan van Eyck polyptych, *The Adoration of the Mystic Lamb.*

Our own history is closely interlinked with that of Ghent and Bruges as two major textile centres in mediaeval times. An early spinning jenny from Manchester is among the exhibits in the splendid and imposing castle.

Ghent lies at the heart of the Flanders flower-growing area and the city gardens and the huge nurseries in the surrounding countryside provide a wealth of colour in spring and summer. Ghent's own flower, the begonia, was originally brought back to the city by one Michel Begon, an ambassador of Louis XV to the French Caribbean territories.

And so to Bruges, certainly the best preserved mediaeval city in northern Europe.

Enchanting at all seasons, I infinitely prefer Bruges in the winter months when there is room to move through the countless art galleries and when, with day-visitors fewer in number, their own lovely city belongs once again to the people of Bruges. This is the time to stroll along the canals, to wander through the gardens of the Beguinage with the autumn leaves heavy on the ground.

Bruges is a place to which I have returned frequently, each time with a heightened sense of pleasure and appreciation but, if you do not know this lovely city and feel like a spur-of-the-moment visit, I can thoroughly recommend the individual packages available throughout the year from Time Off.

Antwerp was in the limelight last year and now it is the turn of Bruges. The city is staging a major Arts Festival from May 21 to May 28 with visits to the principal museums and to the surrounding countryside, including Damme, where Margaret of York was married to Charles the Bold, Duke of Burgundy and Count of Flanders. There is also an excursion to Ghent and a whole day is spent in Antwerp. Kuoni Travel are the exclusive booking agents in the U.K.

If you are passing through Belgium, you may not find time to see all The Seven Marvels but do try and make a short detour to take in the wealth of art to be found in the three great art centres in Flanders.

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Plumbing murky depths

FISHING

JOHN CHERRINGTON

THE RICH red soil of Hereford and the Welsh border is fine for hops, fruit and cattle, but it can play the very devil with the fishing on the Wye, particularly the lower Wye. The river starts clear crystal on Plynlymmon and in a dryish time will run pretty clean to its mouth. But once it reaches the better lands below Hay, it is subject to an increasing load of sediment washed from the fields into its tributaries.

The more arable lands that are drained, the greater the risk, particularly in the spring when the crops are not yet covering the ground and the run-off is all the faster. The degree of colour is infinitely variable, ranging from the deepest chocolate to that of a fairly thin whisky. In these circumstances the fishing varies between hopeless to the just of possible.

Unfortunately the Hereford depth gauge while giving an indication of the weight of water coming down, has not been programmed to describe its colour. The only way to avoid a wasted journey is to have an informant in the immediate area of the beat.

Some weeks ago I was fishing just below Ross, and while the level was rising it was clear and very fishable, although I found no co-operative fish. In fact they were all being caught above Hereford at that time. On my way home I drove down the river from Monmouth towards Chepstow and found the river here a deep chocolate and not a rod in sight: a few miles upstream there was an optimist every few hundred yards. This pollution was caused by river Monnow contributing its quota of alluvium.

I have always assumed, because you can never be really dogmatic in these things, that salmon fishing becomes impossible in murky water because the fish can't see the bait. Or perhaps like ourselves they are blinded by the impurities in the water as we are by a sand storm. But there are degrees of discolouration, and it is worth while setting the rod up and having a go if things are not too dreadful just in case. Especially if you have made a long journey to reach the river.

The other day I was fishing mainly for the sake of practice because the water was colouring all the time and I could only see my Devon Minnow when retrieving it from the water. During this exercise I caught a pike which must have seen and followed the bait through depths that must have had the consistency of pea soup. This heartened me, and I kept it up for some time. I eventually hooked something which took me slowly and inexorably downstream for about 50 yards before the hook came free.

I like, in my dreams, to think it was a mammouth fish, which apparently behave in this way. But in honesty it was most probably a log or some other jetsam being carried along the bottom.

I had a day below Monmouth on some beautiful water where the colour was about right but the level was too high to hold the fish. This was in the second week of March, and enough fish were showing to keep ones interest. According to the ghillie the river should have been about two feet lower and then the fish would have stayed and allowed themselves to be caught.

This raised my hopes for my regular beat about ten miles upstream which I can enjoy on a Thursday. I was going abroad so arranged with a friend that he would fish it for me and give me half the fish caught. He kept in touch with a local informant who told him there had been a big run of fish over the week-end, some of which were staying.

On the Monday the rod holder who had never fished for salmon before cauhgt three, the heaviest 25 lbs. On Tuesday two more were caught and two lost. On Wednesday there was a good deal of rain with melting snow, the river rose swiftly, became unfishable and at the time of writing still is.

A great many fish were caught in the area, far more than at any time in the last couple of years, and thanks to the high water the river and its tributaries will have received a good stock of fish eventually to spawn. It's an ill wind.

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PROPERTY

Buying is not enough

BY JOE RENNISON

THE THING that most interests most people about houses in general and a house in particular is the price that should be asked or sought. The sort of question one is most often asked is "They want X number of pounds for it—what should I offer?" or "How much should I ask for my house which is in Anytown, is in a very good position and has recently been rewired?" To ask such questions is almost the same as asking how long is a piece of string. The only way to solve this conundrum is by shopping around locally about current prices and—as either buyer or seller—putting forward a price. Conditions vary so much from town to town and from street to street that to seek the advice of an outsider is virtually useless.

But there is more to owning a house than the amount you have to pay for it: that, after all, is a decision that has to be faced only once. After the purchase the other problems, of an almost infinite variety, seem to occur every day. Here at least a correspondent can point someone in the right direction. Recently a book was published which is full of sound advice about many of the problems to be encountered. I can thoroughly recommend it to young couples about to take the plunge; older established owners can also learn a few things. Indeed I am thinking of presenting my copy to one of my female colleagues who is thinking of having the inside of her house torn apart and in her girlish naive manner thinks that it will all be finished within the price quoted and the time suggested.

Richard Ball and Andy Pittaway have produced an eminently readable book, the first with a well considered if at sometimes caustic text, the second with some well chosen and witty illustrations. Take for instance, going back to the question of money, the comment about building societies.

The standard source of housing finance in this country is the building society. From humble origins in the Golden Cross in 18th-century Birmingham, Richard Ketley's original building society has spawned one of the country's largest capitalist institutions. The societies operate by borrowing money from the general public, in much the same way as the high street banks, with whom they are in competition for the famous small saver's funds. They then lend this money out to house buyers, who pay interest on the capital. They are in a sense specialised banks, with the same conservative strengths and weaknesses as banks.

"Anyone choosing an unorthodox road to house ownership—and this includes such unlikely candidates as buying a pre-1914 house—will find the large societies far less impressed than the smaller ones. The larger and more established a society grows, the more it finds solace in the rule book. Policy guidelines are drawn up at head office to help the flummoxed branch manager who has to sift through the applications without the benefit of a daily motivation session from the chairman. Size breeds caution, and an unorthodox venture is unlikely to go through without approval from the chief surveyor. All this takes time."

When it comes to the subject of redesigning your existing home the following advice is probably not often thought of but well worth remembering.

If you design your own home, people are going to see it when it's finished, so why not show your plans around and ask for reactions. Your friends could notice the omission of a front door on your plans, which it is better to note now than later. If your friends spot a whole series of basic blunders, perhaps you should call in an architect. If all admire without reserve you will feel your resolve strengthened. Or your friends are not very bright. A compromise well worth considering if you have time and some money is to take your ideas to an architect and ask him/her what he/she thinks of them. The architect can also have the plans drawn up for you without committing you to using his/her services for the rest of the project.

Alternatively you can telephone an estate agent and tell you want to buy a flat in a converted or modernised house, if that is what you plan. Seeing how other people, including professional property men, have solved the design dilemma in similar houses should give you a few ideas.

The Whole House Omnibus by Richard Ball and Andy Pittaway: Astragal Books; price £5.95.

Mann and Co. are opening another new office this week at Horsell, on the outskirts of Woking. It is part of an expansion plan by the firm, which is the largest firm of house agents in Britain. The Horsell office will compliment those already operating at Woking and Knaphill. The aim is to serve the thriving and expanding community of Horsell which is renowned for its own "village" spirit, although less than a mile from the centre of Woking. The new office is to be managed by Mr. Craig Bourne, a senior negotiator from Mann and Co.'s Woking office. The Weybridge office of Mann and Co. have the above attractive "family" house not far from Camberley town centre. Cringlette in London Road, Camberley, has no less than nine help to fill it. One of the most impressive features is the 19 ft. by 16 ft. reception hall with marble fireplace and carved marble surround. There is also a gazebo off it. The drawing room is nearly 33 ft. long and the dining room over 21 ft. long. Other ground floor facilities include a servery, walk-in larder, kitchen, separate breakfast room, utility room and large cellar room. On the first floor is the master bedroom 21 ft. long with en suite shower and dressing room. The same floor has three more bedrooms and bathroom. The second floor has five more rooms, two of which could be used for playrooms if required. A rear courtyard leads to a second cellar. Price: £70,000.

A year for Camellias

GARDENING

ARTHUR HELLYER

I CANNOT recollect a year when camellias have been better. On many bushes it would seem impossible to cram another flower and that after the worst winter in my part of south-eastern England since 1962-63. When one recollects the admirable way in which camellias endured the unprecedented drought of 1976 is really does entitle them to be considered among the very best flowering shrubs for English, Welsh and Irish gardens.

I omit Scotland from this list mainly from lack of local knowledge. I know how well camellias grow at Logan, on the Wigtown peninsula but I also know what difficulties Sir James Horlick had with the "japonica" varieties on his wonderful little islet of Gigha off the coast of Argyll. The "williamsii" varieties, and particularly the incomparable Donation, did well with him, flowering as freely as they do in more southerly gardens, but the "japonicas" grew without flowering much, apparently affected by day length, though whether it was the short Scottish nights in summer that inhibited bud formation or the short Scottish days in winter and early spring that prevented the buds opening, I do not know. I suspect that it was the former and that it is really weather and day length from May to September that is critical for many varieties of camellia.

There are two other limiting factors, one soil the other the frequency and duration of frost during the camellia flowering period which may be anything from autumn for the early "sasanqua" varieties until quite late spring for some of the latest flowering "japonicas." The peak period over much of the country is mid-March to late April and if your garden is not too frosty then you can plant many camellias, but not necessarily the very large flowered varieties, with confidence. The hardest frosts and most biting winds are unlikely to do more than singe the leaves a little, marring their shining beauty for a few weeks, but even quite moderate frosts lasting for a few hours will completely destroy the open flowers, leaving a brown wreckage which must either be endured or removed by hand.

Camellias are also lime haters, which really means no more than that if grown in alkaline soils, they are unable to gather the quite large amounts of iron and manganese they require. In this they resmble rhododendrons but they are much more tolerant than most of the wild rhododendrons and, in this respect as well as in general hardiness, are to be compared with the justly popular Hardy Hybrids. If only a race of camellias could be produced to flower in late May and early June, as the Hardy Hybrid rhododendrons do, there would be no stopping their rise in popularity, which could well rival that of roses.

My own soil has an average pH (the scale by which one measures the acid/alkaline reaction of the soil) of 6.5 which puts it very close to neutrality at pH7.0 and I can grow all kinds of camellia without difficulty. Even on limey soils I have seen camellias grow well in tubs of a moderately acid mixture sunk to their rims in the native soil. In time, no doubt, lime would seep in and it would be necessary to lift and replant in a fresh mixture or to feed with chelated iron and manganese (sold ready for use in various formulations) in which form they are slowly released for immediate use by the plants and are not quickly locked up in insoluble combinations by chemical interaction with the lime. That is the central thing that makes the cultivation of some plants so difficult on chalk or limestone formations.

Plants are drinkers not eaters. Everything they require from the soil must be dissolved in the soil water and if, for some reason, a particular essential chemical has become insoluble it might just as well not be there are far as the plant is concerned.

Camellias are particularly good in town gardens and in open woodland and coppice gardens where they get a little, but not too much, shade and some protection from cold winds. They will also grow fully in the open with the sun blazing down on them in summer and they nearly always flower most freely in such places, though they grow more slowly and their leaves may change from lustrous green to a rather sickly yellow. I think that the "williamsii" varieties are more tolerant of this than the "japonicas" and certainly my own best bush of Donation is fully in the open with no shade of any kind and no hint that it is anything but completely happy.

CHESS

LEONARD BARDEN

SOME OPENINGS are based on definite tactical play where threat and counter-threat alternate in quick succession. Arising mainly from 1 P-K4, they are often capable of precise analysis and thus impose a burden on the memory as well as the risk of surprise. This month's poisoned pawn sacrifice can become next month's unsound gambit.

The queen's side and fianchetto openings—1 P-Q4 and even more 1 P-QB4 or 1 N-KB3—are in general better choices for those who prefer a slower pace. The absence of direct threats allows more possibility of improvisation and strategic development; getting away from routine positions in general favours the better player. Of course, such games of manoeuvre must at some stage lead to a more direct clash of opposing forces, otherwise the result is shadow-boxing and a blocked position or a tame draw.

The current image of these hypermodern style openings is that the real battle starts around move 15 or 20 after a very delayed build-up. But this need not be so; there are some lines in the English (1 P-QB4) where a basic white idea is to exchange his flank QBP for the opponent's central QP and then quickly to occupy the centre with pawns.

This type of plan appears increasingly popular. While chess openings, like stock markets, are susceptible to bull and bear fashion swings, there could be a special logic in this case.

A few years ago, Larsen caused a stir by suggesting that 1 P-K4, P-QB4; 2 N-KB3, P-Q3; 3 P-Q4 in the Sicilian Defence might be unsound on principle because it voluntarily exchanged a central pawn for a wing pawn. That was his justification for playing 2 N-KB3 and 3 B-N5. Partly because of Larsen and other "non-theoretical" grandmasters, avoiding 3 P-Q4 against the Sicilian is much more popular and successful now than a decade ago.

So this leads straight to the converse of the argument, that systems with . . . P-Q4 against the English are even better for White, who is left with a majority of pawns in the centre as well as the extra move.

Just a theorist's debating point? Not quite. This week's game, from a recent tournament in Yugoslavia, shows that White is currently doing well in the practical tests which ultimately decide such chessboard arguments.

White: M. Quinteros (Argentina). Black: G. Tringov (Bulgaria). Opening: English (Bar 1977).

The opening moves were: 1 P-QB4, N-KB3; 2 N-QB3, P-QB4; 3 N-B3, P-K3; 4 P-KN3, N-B3; 5 B-N2, P-Q4; 6 PxP, NxP; 7 0-0, B-K2; 8 P-Q4, 0-0 (if PxP; 9 NxP, White's long diagonal bishop is strong); 9 P-K4.

The double pawn advance at moves 8 and 9 clearly indicates White's strategy: mobilise the central pawn advantage as quickly as possible. In Portisch-Keres, Interzonal 1973, White successfully played 9 NxN, PxN; 10 B-K3, B-B3?; 11 PxP! but this was later neutralised by 10 . . . P-B5!

9 . . . NxN (if N-N3; 10 P-Q5, PxP; 11 PxP, N-N5; 12 N-K5 and White's space control outweighs the weakness of his isolated pawn); 10 PxN, PxP (Black has to develop his QB at N2, and first ensures himself a 2-1 distant pawn majority for an eventual endgame. If at once P-QN3, then 11 P-Q5 is strong); 11 PxP, P-QN3; 12 B-K3 (now this is more precise than 12 P-Q5, PxP; 13 PxP, N-N5 and . . . B-R3), B-N2; 13 R-B1, N-R4; 14 Q-Q3, R-B1; 15 RxR, QxR; 16 R-B1, Q-R1; 17 P-Q5!

Again this typical breakthrough: White "exchanges" the static advantage of a pawn centre for the tactical one of play against Black's king. An interesting possibility now, given in the winner's notes, is 17 . . . R-Q1; 18 B-N5, P-B3; 19 B-R3! PxB; 20 BxP ch, K-R1; 21 N-K5, R-KB1; 22 N-N6 ch! PxN; 23 P-N4 followed by Q-R3 mate.

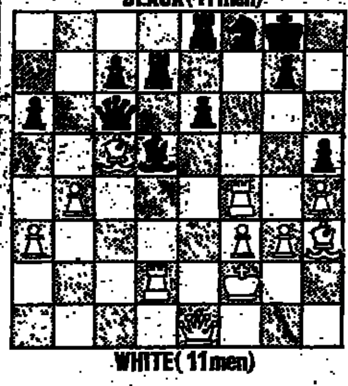
17 . . . PxP; 18 PxP, BxP; 19 N-N5, BxN; 20 BxB (Q5), Q-Q1; 21 BxB, QxB; 22 R-B7, P-R4 (if Black tries to hold his QRP by P-QR3, then 23 Q-K4, threatening RxBP followed by Q-K8 mate); 23 Q-KB3, Q-N3; 24 RxRP, P-R5; 25 K-N2, PxP; 26 RPxP, Q-KB3; 27 P-N4, QxQch (or Q-N3; 28 Q-B5!); 28 KxQ, R-Q1; 29 BxP ch, K-B1; 30 R-B7.

Material is much simplified, but White's remaining men are so much more active than their black counterparts that White has an easy win. The game ended:

30 . . . R-Q3; 31 P-N5, N-B3; 32 K-K4, P-N3; 33 B-N3, N-K2; 34 P-B4, R-Q7; 35 R-N7, R-Q3; 36 K-K5, R-QB3; 37 B-K6, N-B4; 38 R-B7 ch, K-K1; 39 B-Q7 ch, Resigns.

POSITION No. 210

BLACK (11 men)

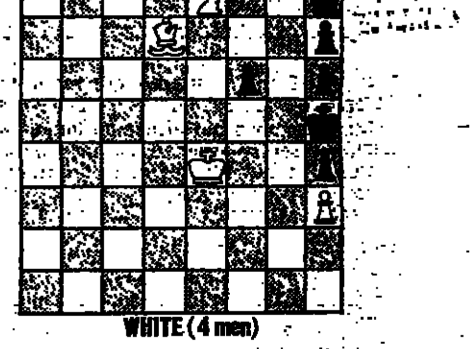


WHITE (11 men)

Spiridonov v. Yanakiev, Odessos 1977. White (to move) has considerable pressure and now finished the game cleverly. How did play end?

PROBLEM No. 210

BLACK (6 men)



WHITE (4 men)

White mates in seven moves at latest, against any defence (by S. Gruber). Mate in seven sounds tough—but this puzzle is really logical deduction from White's first move.

Solutions Page 12

BRIDGE

E. P. C. COTTER

THE Guardian Easter Bridge Tournament, which this year included the British heat of the Philip Morris European Cup, was held over the holiday weekend at the Europa Hotel. As usual this popular tournament attracted a large entry from the Continent, and sad to relate, British names did not figure prominently in the prize list.

Of the many interesting hands, I have chosen this as my first example:

N.
♠ K 8 2
♡ A 10 6
◇ 10 5 3
♣ J 9 8 2

W.
♠ Q
♡ 9 8 2
◇ K Q J 8 2
♣ 10 6 4

E.
♠ A 10 7 6
♡ 7 5 3
◇ A 9 7 6 4
♣ 7

S.
♠ J 9 5 4 3
♡ K Q J 4
◇ —
♣ A K Q 5

West dealt at a love score, and after three passes South bid one spade, to which North replied with one no trump—two spades is an obvious alternative—and South rebid two hearts. With a fit for both his partner's suits, North's hand had grown in stature, and so he gave jump preference with three spades, which encouraged South to bid the spade game.

West made his natural lead of the diamond King, and this was ruffed in hand. A low spade was led to the table, and when West produced the Queen, the declarer realised that loss of trump control was threatened. Dummy's King was played, and the Ace won. East returned a diamond, and South had to ruff again.

When the defenders adopt forcing tactics, it is often best to play them at their own game and force them to ruff. And so it proved here. The declarer cashed all his heart winners, discarding dummy's last diamond on the fourth round. East ruffed and returned his singleton club, but this was won on the table, East's trumps were picked up by finesse, and 11 tricks were made.

It does not help East to discard his club on the fourth heart. South merely runs his clubs, East will be forced to ruff the fourth round, if he has not ruffed before, and one trump trick is all that he can make.

West dealt my next hand with both sides vulnerable:

N.
♠ A K 10 4
♡ 9 3
◇ A 10 6
♣ J 9 7 5

W.
♠ Q J 9 7
♡ K 8 5 2
◇ K 5
♣ A Q 4

E.
♠ 8 6 2
♡ 7 4
◇ J 9 8 7 4
♣ 8 6 3

S.
♠ 5 3
♡ A Q J 10 6
◇ Q 3 2
♣ K 10 2

West opened the bidding with one club, and this was passed up to me in the South seat. I reopened with two hearts, to which my partner made the excellent response of three clubs, and I bid three no trumps.

West led the spade Queen, which did not help his cause, and I won with dummy's King. The nine of hearts won the second trick, and another heart finesse lost, as I expected.

West now led the nine of spades, which was taken by the ten, and I returned the nine of clubs. This was allowed to win, and a second club went to the ten and Queen.

After cashing the club Ace, West led the Knave of Spades. I took with dummy's Ace and at once returned the four, allowing West to make another defensive trick, but at the same time subjecting him to an end-play. A lead from either red suit would give me access to my own hand and enable me to make the contract.

In the four-card ending West had two hearts and the King, five of diamonds, while I had Ace, Queen of hearts and Queen, three of diamonds. In actual play West led the diamond King, and the rest of the tricks were mine.

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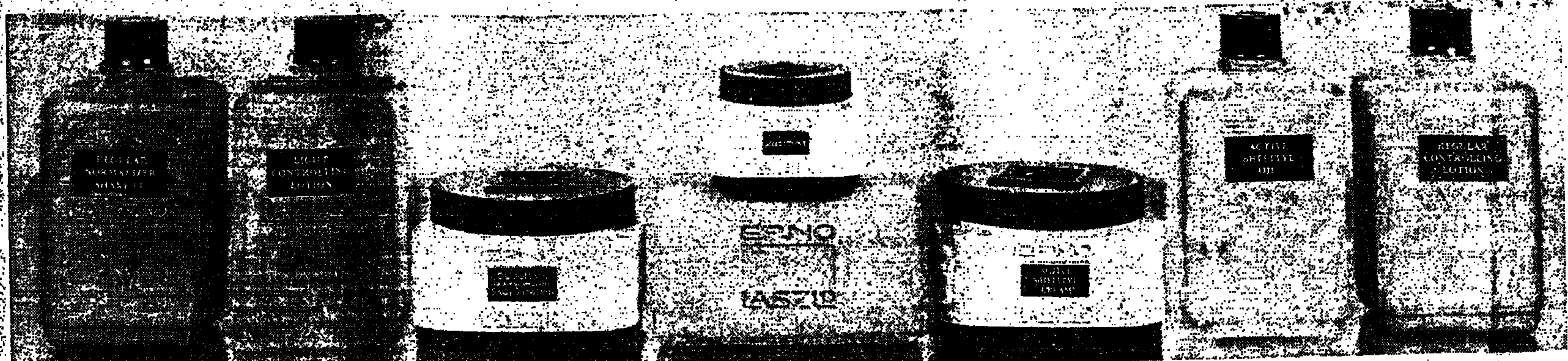
HOW TO SPEND IT

by Lucia van der Post



Not so much a make-up more a way of life

The first time I ever heard of Erno Laszlo was when a colleague who married a beautiful American told me that every time he went to the United States (which, luckily for his wife's peace of mind, was quite often) he had to buy up large supplies of her Erno Laszlo skin care products. She couldn't ever envisage changing to anything else and in spite of the inconvenience (for the bottles are quite large to transport) and the expense (and they are expensive) she had to have her Laszlo regime.

Since then I've noticed Laszlo being mentioned everywhere. In American novels the Laszlo regime crops up often—in Joan Didion's "Play It As It Lays," you can tell the heroine is cracking up when she doesn't do her Laszlo for three whole days. Annie Hall's famous black soap is part of—you've guessed it—the Laszlo regime.

It's the beauty care routine that is followed by the great and the famous—Jackie Onassis (rumour has it that when she was in the White House she asked if Dr. Laszlo, the Hungarian founder of the Laszlo regime, would come round to see her, but was politely told that the great man didn't make house calls) the Duchess of Windsor, Greta Garbo, Audrey Hepburn—the list of luminaries is long and star-studded.

Until now those who were addicted to the Laszlo regime could only buy the products in America, either from the institute itself or through the few selected stores that are allowed to sell them. However, as from Monday, Harrods will be able to enrol customers into the Laszlo way of skincare, give them the advice they need and for the foreseeable future Harrods will be the only stockist in the whole of Europe.

This exclusivity seems a deliberate part of the Laszlo charisma. In his heyday, Dr. Erno Laszlo was reputedly more difficult to get to see than the President of the United States. Nobody, be they Queen or housemaid, can walk into a store and just buy a single product. Everybody who would like to try the Laszlo method has first to have her (or for that matter his: some men, including Elton John, are members) skin analysed, become a member of the Laszlo Institute and have recommended a total beauty care programme.

Cynics say that this is all just a device to ensure that everybody buys a lot of their products. Certainly, the initial outlay is high (at Harrods the skin-type needing fewest products will cost about £63, that needing most will cost about £93) but remember the bottles are large and last about six months.

However, after trying out the Laszlo method for the past four weeks I can certainly say that it is quite clear to me that all the products have to be used together. The oil, which is an important part of the regime and the secret of which Dr. Laszlo guarded carefully, seems to react perfectly with the special soap, which leaves the skin feeling clean but not too taut or too oily. The only products that I could possibly envisage using on their own are the powder and the powder rouge and they are not the guts of the programme.

Dr. Erno Laszlo was a Hungarian who, in the 1930s, went to America where he soon started converting the rich and famous to his soap and water programme. For the real basis of his system is cleansing—he believed in perfectly clean, flawlessly healthy skin and the twice-daily ritual washing that is the hallmark of the Laszlo follower is as sacred to his disciples as is Ramadan to the Moslems.

Every single member of the institute, no matter what the skin-type, is given a soap and water regime. Every single member has, twice a day, to put on the special Laszlo oil, fill a basin with steaming, hot water, wash the face with soap and then rinse it 20 times in the hot, sudsy, soapy water and ten times in hot, clear, running water. This sounds a lot and it was only my curiosity about the results that kept me at it. I can only say that you find you can do it much more quickly than you imagine at first.

Nonetheless, I agree with the American wife of my colleague who says that even now, after three years of being a devoted Laszlo follower she still dreads that twice-daily wash. She finds it a chore but she does it. Why? "Quite simply, if ever I stop I find my skin doesn't look so good. I have tried other things but I notice the difference immediately. Laszlo is not a system you can play with. You have to keep to it and then you really do find a big change in your skin. Although my mother and two sisters had been using it for years I'd always refused because of the expense. I was finally persuaded to try it when a friend who had a poor skin, very oily and spotty, found her skin transformed within a fortnight. Since then, I don't feel I can ever use anything else."

Besides the soap and water regime, which cleanses and prepares the skin, there is then a light astringent lotion and after that comes a very light, natural-looking make-up finished off with powder which Dr. Laszlo recommended should be patted on liberally and then buffed with cotton wool to give a healthy finish to the skin. Dr. Laszlo believed the skin should be protected at all times and even the night-time regime, which differs slightly from the morning one, calls for a protective, but totally non-greasy, finish.

For those who are thinking of trying out the Laszlo regime I must warn you that discipline is essential. You really mustn't chop and change. Once you've decided to try it and bought the total programme do follow it and give it a fair trial. Once you have become a member (which incidentally costs nothing: it is only the products you pay for) you may then buy individual products as and when you need them. The oils and lotions are about £9.00 each, the soaps £6.50 each. I certainly have found my skin to be cleaner and healthier-looking since I started on my "Laszlo." I can't say I'm transformed, but then I've come to terms with the fact that I never will be—improved, perhaps, here and there, but not transformed!

Photographed, above, is the full complement of products prescribed for my skin — in Laszlo terminology, an 11 o'clock skin, that is, a skin that is slightly on the dry side of normal

The products have a lovely, subtle, natural smell to them and the skin certainly feels good. As far as I'm concerned the major disadvantages are firstly that my wash-basin is permanently greasy (from all that splashing about with oil and soapy water) so I feel I'll have to do what American beauties do: that is, travel about with my own little bottle of basin-cleaning lotion. The second one is that on a recent visit to France I simply couldn't pack up all the products—the bottles are beautifully simple in shape, are light and made of some unbreakable plastic but they are large and numerous.

If any reader wants to know what happened to the elusive, exclusive Dr. Erno Laszlo himself—he died about six years ago and just before that he sold the company to Cheseborough Ponds who have continued to run it in the identical way, selling the identical products and offering the same simple but demanding regime.

Old fashioned values

ONE OF the most frequent requests for advice I receive from readers is on how to sell jewellery that they own but either no longer wear or would like to sell in order to use the cash for something else. It's not easy to give the right advice as so much depends upon the honesty and the knowledge of the jeweller you go to.

Richard Ogden, the jewellers of 28 Burlington Arcade, London, W1, have hit upon a system which seems to me to have the great merit of being entirely open and above board. Richard Ogden, as most people will already know, has a most beautiful jewellery shop in the arcade where he not only sells as large and delectable a selection of engagement and wedding rings as is to be found almost anywhere, but he also has a lovely collection of antique jewellery.

Realising how difficult it is for those who wish to sell their own pieces to be sure that they are getting good and honest advice, Richard Ogden decided to offer clients a straightforward percentage deal. This means that it is not in his interest to offer them as low a price as he thinks he can get away with (which is how many secondhand jewellers operate).

He tries to offer them genuine advice on what a piece is worth and he will sell it for them for 20 per cent. commission if the price is up to £2,000 or 15 per cent. for sums over £2,000.

Very often it is almost impossible for the unskilled person to know the genuine worth of a given item and sometimes it is very difficult even for the expert. Recently Richard Ogden was presented with what looked like a yellowish treated diamond (treated diamonds often have the colour artificially changed and are therefore worth correspondingly less) and had it been so would have been worth between £300 and £400. Fortunately he had his doubts and therefore sent it to other experts who were also unsure and so sent it to Switzerland where it was declared to be untreated and to be worth £3,500. The client originally would have been entirely happy with £300 and needless to say was delighted to receive her £3,500, less 15 per cent. commission.

Typical of the antique jewellery that Richard Ogden is selling on behalf of a client is the late Victorian bracelet of real pearls and old cut diamonds set in silver and 18 ct gold, £835. Bottom left is an old cut diamond ring set in silver and 18 ct gold, £875. The brooch is Victorian with white and cinnamon-coloured old cut diamonds and a real pearl drop, £1,350.

So, if you have anything you want to sell take it along to Richard Ogden — he prefers to buy outright any items that are worth under £100 or else he is willing to go in for part exchange. He deals happily with postal enquiries and, indeed, says "My clients in Scotland almost outnumber those in London."

Wearing well

NOW THAT carpeting has become so expensive that one almost needs a second mortgage to pay for it, it's not surprising that the average customer has become much more concerned about what exactly it is that he's paying all this money for. How long it will wear and how long it will continue to look good are the crucial questions that any potential carpet buyer needs to have answered.

Anybody interested in the subject who happens to be in London between now and April 21 would do well to go along to Wool House, Carlton Gardens, where a special exhibition called "The Great Survivors" is now open to the public.

The International Wool Secretariat has mounted an exhibition of old, but not antique, carpets (naturally, all made from wool) which is designed to show just how well these particular wool carpets have survived years of hard wear and, often, of ill-treatment.

There'll be a piece of carpet taken from one of the ones used in 25 of London Transport's Silver Jubilee buses for seven months last year (a period of time which the International Wool Secretariat deems to be equivalent to seven years in a busy bank or hotel foyer).

Though the carpets originally became dirtier than anybody had envisaged (the summer, as no doubt you remember well, was exceedingly damp) once washed—during which process each carpet shed about 5½ lbs of dirt—they looked almost like new. Proof is to be seen at Wool House.

There are also carpets that have spent years in a school; carpets that have been used in top hotels; in aeroplanes; in trains; on ships; at airports and in stores. Each has its own case history and a piece from each is shown both soiled and cleaned.

Two specific carpets seem to me to be the stars of the show—one is a tiny piece of Brussels carpet which was made in 1897 for Queen Victoria's life in Osborne House, Isle of Wight and which is soon to be replaced by a modern version, woven as near to the original design as possible, by Crossley. The other has no particularly glamorous history—but it is 87 years old. It was given as a present to an employee of James Templeton in Glasgow on her marriage to a Mr. Brodie. It was made from 100 per cent. pure wool on a Chenille loom and it stayed in her bedroom until the day she died in 1953. Her daughter then presented it back to Templeton Carpets as she thought they might like to have it as a fine example of how well one of their carpets had worn. It still looks good, with just a slightly frayed selvedge.

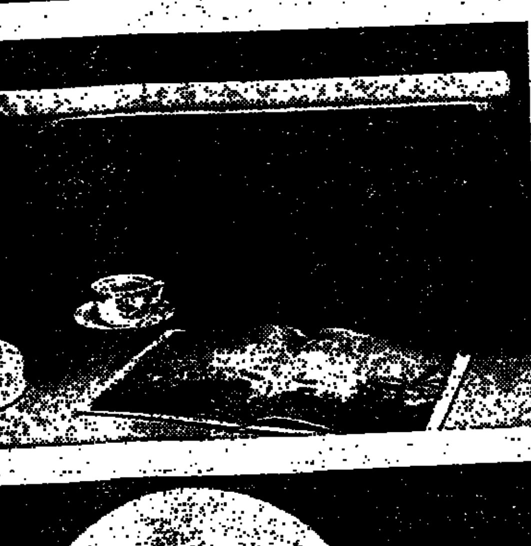
Lights of London

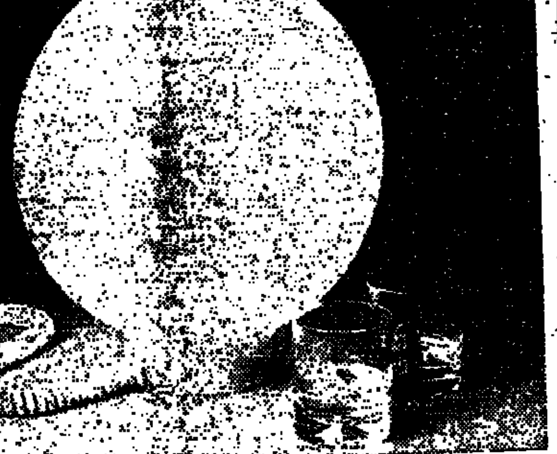
ONE OF the smallest, but best, lighting shops in London is the London Lighting Company, 173 Fulham Road, London, SW3. Most of the top lighting firms have their products there—firms like Arteluce, Artemide, Concord, Flos and so on are all sold through the London Lighting Co.

These names are the great classics among modern lighting firms and they seem to me to be these which have managed to combine true efficiency with great elegance of appearance. Though most of the designs on sale in the shops are modern there are also the great classics from the late 1920s. Whether you want shades or bases, tracks or spots, strip lights or up and down lighters, standard lamps or bedside lights, you ought to be able to find something that fits the bill.

One of the things I like about the shop is that it makes a big effort to stock all sizes and shapes of bulb and will even attach the right plug to the flex if you ask them—the kind of service that is often routine abroad but seems to be cause for congratulation when it happens over here.

The London Lighting Company has been so successful that recently a second branch—newer and bigger—was opened at 37/39 George Street, London W1.





Top: Finding a god desk lamp is one of the most difficult tasks I know of. This design is Swedish and provides fluorescent light in an efficient and attractive form. The lamp itself may be red, white, yellow, blue or green and costs £49.95.

Above: Less suitable for direct lighting but a good source of additional light in a room is the table lamp shaped rather like a glass globe. Only in white, it costs £24.30. They will happily send by mail: allow £5 each for these two.

Well preserved

THE WORD Kilner has become so familiar that it has almost become synonymous with preserving jars, rather in the way that a certain famous brand has come to be used for all vacuum cleaners. In fact, the Kilner invention did belong to a Mr. Kilner and has since been bought by United Glass, which, through one of its subsidiaries, Ravenhead, goes on bringing Kilner jars to the great British public.

Basically the great discovery of the original Mr. Kilner was a unique sealing system that ensured a much more airtight way of storing food in jars.

Ravenhead still produces jars based on much the same original principles, but due to the invention of plastics, have been able to improve the system recently by replacing the metal top with a glass lid with an orange plastic lid over the top.

The new, improved Kilners are stackable, and have wider necks, which makes for easier filling. The newest jars are trickling into the shops now, but will be available in large numbers at shops like Boots and Timothy Whites when the preserving and bottling season takes off in early June.

The jars come in three sizes, 500 ml. (68p), 1 litre (79p), and 1.5 litre (93p).

WHEN writing about Pifco's mini-boiler last week I'm afraid a misprint crept into the copy. I indicated that the mini-boiler was suitable for both British and Continental voltages, but described the voltage range as being between 120 and 140 — this should, of course, have read between 120 and 240. Besides being available by post from Binks and Tiggs (£4.95, 82, Water Lane, Wilmslow, Cheshire) it can also be bought from most electrical shops and large stores like Lewis's, Debenhams and Woolworths.

THE ARTS

Among the trolls

Peer Gynt and the Prime Minister are the stars of radio this week. There was a somewhat unnerving resemblance between Question Time broadcast live from the House of Commons on Thursday afternoon (Radio 4, April 6) and *Peer Gynt* (Radio 3, April 2): the scene where the eponymous hero is entertaining his cronies at sundown on the coast of Morocco: "Drink, gentleman! Man was made for pleasure. What's done is done; what's past is past concern." This was in fact said by Denis Quilley as Peer but the same nonchalant disregard of the trolls (or polls) and all that they portend gave a somewhat hectic sound to Mr. Callaghan's performance in the House.

The P.M. had the expected clash with that Aase of the Tory party, Mrs. Thatcher, over nationalisation. The motherly lady tried none too subtly to pin him down to a commitment but the nimble word-spinning sunny-type was off down the fjord in a flash pointing to a not too distant electoral future when his intentions would be published. Several other members tried to embarrass Mr. Callaghan by daring him to comment on a speech by Mr. Benn. He refused to be embarrassed just as he refused to comment.

If the art of parliamentary question time lies in the skill with which the person questioned evades the issue then this session was a fair specimen of the art as performed by a practised hand. It was ably presented with helpful unobtrusive voice-over comments by Brian Curtois. It did not do anything to detract from the dignity of Parliament; on the other hand it did not do anything either to enhance that dignity. It merely served to confirm the impression, no doubt a misleading one, formed by a casual visitor to the House of an unruly, ill-controlled, undergraduate debating society.

It is 150 years since Ibsen was born. The RSC got in first last year with its production of the rarely seen *The Pillars of the Community*; in May the National Theatre are countering this with a brand new production of *Brand*. Meanwhile Radio 3 pulled out all its stops last Sunday to give us *Peer Gynt* in the verse translation by Michael Meyer, directed by Martin Jenkins. This translation is a notable achievement. The difficulties of finding equivalents that are speakably English and yet preserve the heightened tones, the poetic colloquialisms of the original Norwegian must be very great and Mr. Meyer seems consistently to solve them with stylish ease.

Speakably English, did I say? In the event on radio it was speakably Irish, Southern Irish at that. Mr. Meyer sees Peer as a Norwegian village hero, as much as he is a figuration of the self; a sort of Playboy of the Nordic World, and he thinks it makes a nonsense if the play's words are spoken with a standard English accent (as he explained on *Kaleidoscope*.) He therefore gave Synge as the model. It was a bold throw but it paid off in terms of atmosphere, Irish gaiety shrouded in the ever-present threat of eternal damnation.

Kate Binchy in a heart-breaking performance as Solveig had the advantage over her colleagues in that she is in fact Irish; but Pauline Letts was just as effective as an earthy, anxious Aase and Sarah Badel as an elusive Anitra. John Woodvine seemed to go to Belfast for his Button-Moulder, to give him the uncompromisingly broad vowels of an Ian Paisley which served admirably to increase the terror. Robert Eddison in the role of the Thin Person (a euphemism for the Devil) needed only to be himself, to speak with his usual fastidiously inquisitorial enunciation to send a whole string of shivers down the listener's spine.

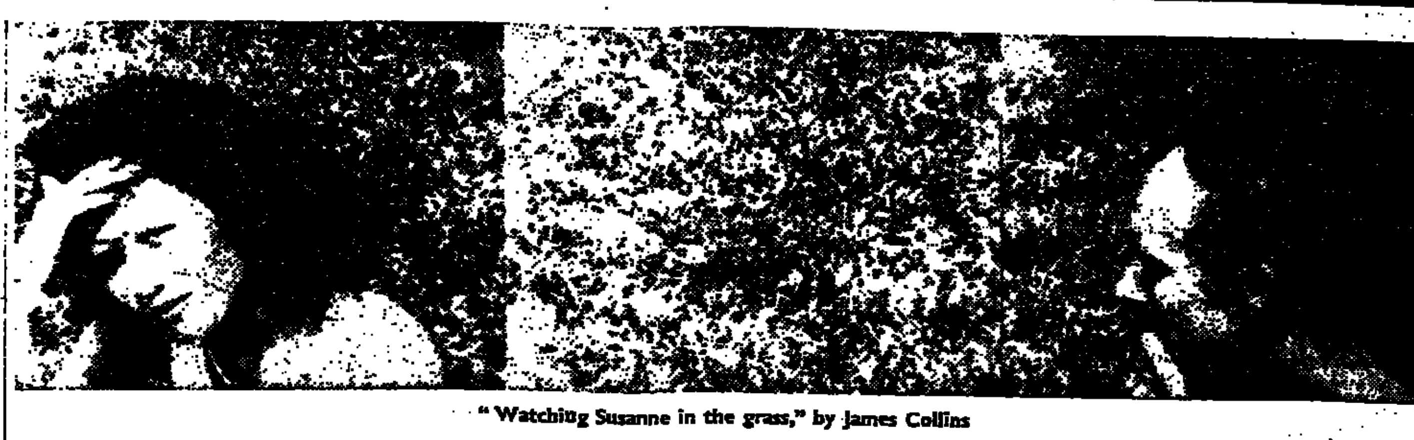
But all these performances and several more, which for fear of wearying the reader I will refrain from mentioning, would have been nothing without the sterling work at the centre of this remarkable mosaic of sound (David Cain's modernistic music was the replacement for Grieg) by Denis Quilley in the title part. He was as skittish as an unbroken foal at the start, modulating to worried gravity as his time ran out. His Irish never faltered nor did his understanding of the subtleties of the text.

Radio is the ideal medium for this work with its shifts in time and space, its vast canvas yet its constant inward-looking. Three and a half hours is a long stretch to be listening to a single play but the time seemed to pass easily in a festive dramatic experience.

RADIO
ANTHONY CURTIS

RSC plans

The RSC's 1978 Warehouse season opens this month with three productions—a new production of August Strindberg's *The Dance of Death* on April 20 (previews from April 11); Paul Thompson's *The Lorenzaccio Story* on April 13 (preview April 10); and John Ford's *'Tis Pity She's a Whore* on April 17 (preview April 12).



"Watching Susanne in the grass," by James Collins

James Collins comes home

ART
WILLIAM PACKER

To return home after many years, even though the exile was self-imposed, can be tricky enough at the best of times, but especially so for the artist who was and remains obscure in his native land, and yet has acquired in the meantime a certain reputation abroad: it is a case of the prophet being not so much unhonoured as genuinely unknown in his own land. In such circumstances our own natural courtesy and curiosity on being presented to work new to us will be mixed inevitably with a degree of scepticism: for such an artist must expect to prove himself by more stringent criteria than we would apply to a true debutant.

James Collins has spent most of the past ten years in America, in which time his work has moved away from painting, though he would still claim for himself the sensibility and preoccupations of the painter, towards photography. His exhibition now at the I.C.A. (until May 11 after it moves to the Arnolfini in Bristol), his first in this country, consists of a number of large photographic works, each made up of many panels and sometimes two or three distinct images, and also the colour films from which the particular reference is mostly derived.

It is all highly seductive, and most enjoyable. Indeed, it could hardly be otherwise, for his subject essentially is the eternal theme of the Artist and his Model, which is really to say Woman regarded by Man: and the girls are beautiful, the treatment elegant. But a few misgivings creep in, nevertheless: Collins' self-consciousness, his emphatic celebration of himself in the work, is intrusive and, in the end, limiting for being so specific, his strong personality standing guard over the work, and inhibiting our imaginative entry.

And there is the technical problem of the surface, upon which each pictorial medium imposes its own constraints. As with a water-colour, so the photograph may be made too large for its own surface to carry, awkward and out of scale. An image that may be projected comfortably on to any screen sits unhappily on so vast an expanse of smooth emulsion. It seems to me no accident that here the most successful work is the latest, which is not only the smallest but, more importantly, has been worked up not from Collins' engaging home movies, but from carefully set up and meticulously executed still photographs. The work is changing, perhaps, growing more impersonal, calmer, more formal and composed, and returning to the traditional painter's subjects: the pictorial space, the figure, still-life, landscape, colour and form. We see work in transition, more interesting than convincing as yet, but worth seeing again before too long.

The New Galleries upstairs are occupied (until April 30) by Robert Mason and Alexis Hunter, artists who also use photography in their work, though in very different ways. They deserve separate consideration.

The Brandenburgers at Hurlingham

OPERA
ELIZABETH FORBES

The Brandenburgers of Bohemia, which was given its first British performance by Hammersmith Municipal Opera at Hurlingham School Theatre on Thursday night, was Smetana's first opera. The composer returned to Prague from Sweden, where he had been living, with the express intention of writing an opera on a Czech historical subject that would be eligible for one of two prizes offered by Count Jan von Harrach, and which could be produced at the newly opened Provisional Theatre. Having received the text from his librettist, Karel Sabina, in February 1862, Smetana completed his score in about 14 months.

After various delays, *The Brandenburgers* was eventually produced in Prague on January 5, 1866, with the composer conducting. It scored a great success, winning the Harrach prize and paving the way for a new school of Czech Nationalist opera, as well as for Smetana's own subsequent career in the theatre. The text imposes a fictional plot on an historical basis: when Otto V of Brandenburg is made Regent of Bohemia after the King has been slain in battle, his army of mercenaries oppresses the local population, and the peasants rebel. Jira, the leader of the rebellion, is accused of abducting the three daughters of the Burgomaster of Prague.

The girls have in fact been kidnapped by Tausendmark, a burgher of German descent, with the aid of Brandenburger troops, and it takes three acts for Junos, the young Prague burgher in love with Ludice, the eldest girl, to extricate Jira from prison and with his aid rescue the Burgomaster's daughters from the clutches of Tausendmark.

Smetana, though a tyro at opera composition provides lyrical opportunities for most of the dozen characters. There are dances in the style now familiar from the *Bartered Bride*, and pathetic choruses of exile as well as the fervent nationalistic ones. The three sisters have two very pretty trios, while Ludice and Junos express their love in a rapturous duet. Jira (tenor) and Tausendmark (baritone) are the best drawn of the characters, and in Adrian Brown's stirring production they receive the best performances.

Edmund Bohan makes a strong, proud Jira, and sings his grateful music with style and panache. John Gibbs, as the villainous Tausendmark, brings conviction and good, solid tone to his portrayal. His momentary repentance in the last act is particularly effective. Elizabeth Lane, though strained by some of Ludice's highlying music, makes a determined heroine, and Michael Burch gives personality to the rather pale figure of Junos. Marian Bryfdir (Vlcenka) and Sonja Nerdrum (Decana) languish prettily as Ludice's sisters. The Chorus, drawn from Beaufort Opera, sings with real involvement, while Joseph Vandernoot, conducting the Fulham Municipal Orchestra, transmits his own enthusiasm for the score.

A Detective's Tale

TELEVISION
CHRIS DUNKLEY

All manner of outrage will be expressed after Thursday's broadcast of the first part of *Law and Order*, "*A Detective's Tale*" on BBC-2. Casting doubt on the police service in Britain has always been like casting doubt on motherhood, or apple pie in America, and rosy illusions are still widespread here even after all the revelations of wholesale police corruption in the last few years.

So although the series ought to cause exclamations of pleasure and praise over just about every aspect of the production—completely fresh writing from G. F. Newman on what seemed to be an exhausted subject, marvellous acting from yet another cast of virtual unknowns (Britain seems to have an endless supply), and an assurance in Leslie Blair's direction which works with the acting to achieve a sort of super-naturalism—what will actually be heard across the land, no doubt, will be the leathery rustle of blinkers being fitted as the self-appointed moralists prepare for the Hypocrisy Handicap.

What the producer, Tony Garnett, has done with "A Detective's Tale," is to throw into the right-hand scale one tiny but superbly well fashioned counter weight to weigh against the massive accumulation of cops-and-robbers nonsense which is dished out to us week after tyre-squealing week in such entertaining series as *Kojak*, *The Sweeney* and *Target*.

In doing so he has enhanced a reputation (earned with *Cathy Come Home*, *Up the Junction*, *Days of Hope*, and so on) of being one of the very few pro-master craftsmen of television. It was Garnett as much as anyone who set the fashion for gritty reality in the heyday of The Wednesday Play. The makers of the police series took their cue, and to-day it might have been thought that We are All Garnetts Now.

By moving into the area of crime programmes himself, however, Garnett has shown how far short of his demanding standards even the best police programmes have fallen; how idealised and romantic they have become.

It is not just a question of service texture, although Garnett, Blair, and designer Austen Spriggs have indeed managed to convey the very smell of the institutional corridor where so much police work evidently takes place. But more important the main plot has about it a more honest ring than has ever before been achieved in either the "be-on-your-best-behaviour" documentaries about the police or even the grittiest of the *Z Car* style dramas.

This emerged most startlingly when the time came for the corrupt detective (magnificently acted by Derek Martin) to be investigated—as usual in every police series since each has a token bent copper—by the force's own A-10.

Only this time, even A-10 turned out to have a corrupt officer, so for the first time television failed to reinforce the absurd British system of allowing the police force to investigate its own misdeeds. All manner of outrage will be expressed by those who claim the programme showed all police as corrupt, which of course it didn't.

But with a bit of luck the series will win enough international awards to protect its place in the archives.

Theatres this week . . .

SHAW: *Chicken Soup with Barley*; Wesker's early autobiographical piece comes up as sharp as a razor. Reviewed Tuesday/Wednesday

ROUND HOUSE DOWNSTAIRS: *Raindance*; Pretty comedy by an unfamiliar American writer, well worth the journey. Reviewed Wednesday/Thursday.

THEATRE UPSTAIRS: *Bleak House*; Dickens's novel, in four parts by four players. Needs patience but worth it. Reviewed Thursday/Friday

GLOBE: *Ten Times Table*: Ayckbourn's-eye-view of a small-town festival committee. Minor Ayckbourne, but very funny none the less. Reviewed Thursday/Friday

. . . and next

Tuesday, play from the Japanese at the Riverside Studios, Hammersmith, and a sci-fi adventure at the ICA. Wednesday, David Hare's *Plenty* at the Lyttleton. Thursday, *The Unvarnished Truth* ("about love and death") at the Phoenix, and *The Lorenzaccio Story* at the Warehouse from Stratford-upon-Avon.

TV/Radio

†Indicates programme in black and white

BBC 1

8.55 a.m. Playboard. 9.10 The Oddball Couple. 9.35 The Record Breakers. 10.00 Indoors Outdoors. 10.25 "Bachelor in Paradise," starring Bob Hope and Lana Turner. 12.10 p.m. Bugs Bunny. 12.28 Weather.

12.30 Grandstand: Football Focus (12.35); Flat Season '78 (1.05); Boxing (1.20); Racing From Newbury (1.50, 2.25, 3.05); Basketball (2.05, 2.35); The Guinness National Cup Final; Squash Rackets (3.15) Avis British Open Championships Final; Rugby League (3.50) Rugby League Challenge Cup second semi-final: St. Helens v. Warrington; 4.40 Final Score including classified football, rugby and racing results.

5.10 The New Adventures of Batman.
5.35 News.
5.45 Sport/Regional News.
5.50 Fish.
6.15 Rolf on Saturday—OK?
6.45 Saturday Night at The Movies: "The Savage," starring Charlton Heston.
8.15 The Val Doonican Music Show.
9.00 Kojak.
9.50 News.
10.00 Match of the Day.
11.00 Saturday Night at The Mill.

All Regions as BBC 1 except at the following times:

Wales—9.35-10.00 a.m. Teleffant. 11.50 p.m. News and Weather for Wales.

Scotland—4.55-5.10 p.m. Scoreboard. 5.45-5.50 Scoreboard. 10.00 Sportscene. 10.30-11.00 Falkirk Folk from Falkirk Town Hall. 11.50 News and Weather for Scotland.

Northern Ireland—5.00-5.10 p.m. Scoreboard. 5.45-5.50 Northern Ireland News. 11.50 News and Weather for Northern Ireland.

BBC 2

7.40 a.m.-1.55 p.m. Open University.
3.00 p.m. Saturday Cinema: "Forever Darling," starring Lucille Ball and Desi Arnaz.
6.05 Planets.
7.05 Open Door.
7.30 News and Sport.
7.45 Network.
8.15 Ashkenazy plays Mozart.
9.35 Second City Firsts.
10.05 Orders From Above: Robert Vas' film about the repatriation of Russians to the USSR 1944-47.
12.00 News on 2.
†12.05 a.m. Midnight Movie: "The Reckless Moment," starring James Mason and Joan Bennett.

LONDON

8.35 a.m. Funky Phantom. 9.00 Sesame Street. 10.00 Our Show. 11.00 The Monkees. 12.00 Spencer's Pilots.

12.30 p.m. World of Sport: 12.35 On the Ball; 1.00 International Sports Special (1) Motor Cycling (John Player Transatlantic Series from Oulton Park, Cheshire) and Motor Racing (U.S. Grand Prix West from California); 1.15 News from ITN; 1.20 The ITV Six—1.30, 2.00 and 2.30 from Hexham; 1.45, 2.15 and 2.55 from Doncaster; 3.10 International Sports Special (2) Gymnastics from The Palace of Sports, Moscow and Motor Cycle Jumping—The Eddie Kidd Stunt Jump from Radlett Airfield, Hertfordshire; 3.50 Half-Time Soccer Round-up; 4.00 Wrestling; 4.50 Results Service.

5.05 News from ITN.
5.15 Happy Days.
5.45 Logan's Run.
6.45 Celebrity Squares.
7.30 Man from Atlantis.
8.30 Sale of The Century.
9.00 Enemy at The Door.
10.00 News.
10.15 The South Bank Show.
11.15 The London Weekend Show: special on London's young male prostitutes.
12.00 Stars on Ice.
12.25 a.m. Close — Heather Emmanuel reads sayings and teachings of Buddha.

All IBA Regions as London except at the following times:

ANGLIA

9.00 a.m. Undersea World of Captain Nemo. 9.30 Tiswas. 10.20 Funky Phantom. 10.45 Tiswas. 11.25 Valley of the Dinosaurs. 11.55 Tiswas. 5.15 p.m. Celebrity Squares. 6.00 Code R. 7.00 Sale of the Century. 7.30 Saturday Film: "A Bullet is Waiting," starring Jean Simmons and Rory Calhoun. 11.15 Within These Walls. 12.15 a.m. At the End of the Day.

ATV

9.05 a.m. Mum's the Word. 9.30 Tiswas, plus Dynomutt the Dog Wonder and The Lone Ranger. 5.15 p.m. The Six Million Dollar Man. 6.15 Celebrity Squares. 7.00 Oh No, It's Selwyn Froggitt (R). 7.30 Sale of the Century. 8.00 The Sweeney. 11.15 Rich Man, Poor Man.

BORDER

9.05 a.m. Build your own Boat. 5.15 p.m. Logan's Run. 6.15 Celebrity Squares. 7.00 Sale of the Century. 7.30 Film: "Destination Gobi." 11.15 The Outsiders.

CHANNEL

12.18 p.m. Puffin's Platiice. 5.45 Logan's Run. 6.15 Happy Days. †11.15 The Mystery Thriller: "Mine Own Executioner."

GRAMPIAN

9.00 Scene on Saturday, including Birthday Greetings and The Lone Ranger. 9.25 p.m. Skippy. 9.50 Spiderman. 10.15 The Cine Club. 10.45 Island of Adventure. 11.30 Space 1999. 5.15 Logan's Run, followed by area weather forecast, Highland League and shinty results. 6.15 Celebrity Squares. 7.00 Sale of the Century. 7.30 Enemy at the Door. †8.30 Feature Film: "Duel," starring Dennis Weaver. 11.15 Within These Walls. 12.15 a.m. Reflections.

GRANADA

9.30 Tiswas, including Dynomutt, The Dog Wonder. 10.47 Tiswas. 11.25 Elephant Boy. 11.55 Tiswas. 5.15 p.m Logan's Run. 6.15 Celebrity Squares. 7.00 Sale of the Century. 7.30 The Big Film, Van Heflin in "Tanganyika." 11.45 House of Horrors: "Countess Dracula," starring Ingrid Pitt.

HTV

9.05 a.m. Build Your Own Boat. 9.30 Tiswas. 10.15 Batman. 10.45 Tiswas. 11.25 Westway. 11.55 Tiswas. 5.45 p.m. Celebrity Squares. 6.30 Logan's Run. 7.30 The Streets of San Francisco. 11.15 Within These Walls.

HTV Cymru/Wales—As HTV General Service except: 5.45-6.00 p.m. Cartoontime. 6.00-6.30 Canolfan.

SCOTTISH

9.00 a.m. Build Your Own Boat. 9.30 Tiswas, including Batman and Adventures in Rainbow Country. 5.15 Logan's Run. 6.15 Celebrity Squares. 7.00 Sale of the Century. 7.30 Feature Film: "Sergeant Ryker," starring Lee Marvin. 11.15 Late Call. 11.20 The Sweeney.

SOUTHERN

8.50 a.m. Weekend followed by regional weather forecast. 9.00 Sesame Street. 10.00 Our Show including 11.00 Code R. 11.55 Weekend and 12.05 p.m. Happy Days. 5.15 Celebrity Squares. 6.00 Six Million Dollar Man. 7.00 Sale of the Century. 7.30 Columbo. 8.50 Cartoon. 11.15 Within These Walls. 12.15 a.m. Southern News.

TYNE TEES

9.05 Solo One. 9.35 Action Adventure Film: "The Spanish Main," starring Paul Henreid and Maureen O'Hara. 11.30 Run Joe, Run. 12.00 I Am the Greatest—The Adventures of Muhammad Ali. 5.15 p.m. Logan's Run. 6.15 Celebrity Squares. 7.00 Sale of the Century. 7.30 Saturday Night Film: "Sergeant Ryker," starring Lee Marvin. 11.15 The Streets of San Francisco. 12.15 a.m. Epilogue.

ULSTER

10.00 a.m. Saturday Morning Movie: "Hey There It's Yogi Bear." 11.30 Sesame Street. 5.00 p.m. Sports Results. 5.15 Logan's Run. 6.15 Celebrity Squares. 7.00 Sale of the Century. 7.30 Enemy at the Door. 8.30 The Big Film: "Tanganyika." 11.15 Police Woman.

WESTWARD

9.00 a.m. The Lost Islands. 9.25 Fantastic Voyage. 9.50 Children's Feature Film: "Treasure Island." 11.30 Gus Honeybun's Birthdays. 11.35 Island of Adventure. 5.15 p.m. Logan's Run. 6.15 Happy Days. 6.45 Celebrity Squares. 7.30 Man from Atlantis. 8.30 Sale of the Century. †11.15 The Mystery Thriller: "Mine Own Executioner," starring Burgess Meredith. 12.40 a.m. Faith for Life.

YORKSHIRE

9.00 a.m. The Rolf Harris Show. 9.25 You Can Make It. 9.50 Saturday Scene Action Adventure: "Climb an Angry Mountain." 11.30 Funky Phantom. 12.00 Run Joe, Run. 5.15 p.m. Logan's Run. 6.15 Celebrity Squares. 7.00 Sale of the Century. 7.30 "Sergeant Ryker," starring Bradford Dillman, Vera Miles and Lee Marvin. 11.15 The Outsiders.

RADIO 1 247m

(S) Stereophonic broadcast

5.00 a.m. As Radio 2. 8.06 Ed Stewart with Junior Choice (S). 10.00 Kid Jensen. 12.00 Paul Gambaccini. 1.31 Rock On (S). 2.30 Alan Freeman (S). 5.31 Alexis Korner's Blues and Soul Show (S). 6.30 In Concert (S). 7.30-2.02 a.m. As Radio 2.

RADIO 2 1,500m and VHF

5.00 a.m. News Summary. 5.02 Tom Edwards (S) with The Early Show, including 8.03 Racing Bulletin. 8.06 As Radio 1. 10.02 Tony Brandon (S). 12.02 p.m. Two's Best (S). 1.02 Punch Line. 1.30-5.55 Sport on 2: FA Cup Special (1.30, 2.00, 2.20, 3.00, 3.45): Racing from Doncaster (1.20, 2.10, 2.50); Squash (1.30, 2.00, 2.20, 3.00): Avis British Open Squash Championships, plus Golf—reports on the U.S. Masters Tournament: 5.00 Sports Report, classified football checks at 5.00 and 5.45. 6.03 Nordring Roundabout. 7.02 Windsor Davies Presents. 7.30 Radio 2 Top Tunes (S). 8.15 Don Innes at the piano (S). 8.30 Victor Silvester Jr. at the Radio 2 Ballroom (S). 9.30 Saturday Night with the BBC Radio Orchestra (S). 11.02 Sports Desk. 11.10 Peter Wheeler with The Late Show (S) including 12.00 News, including Golf — U.S. Masters Tournament (report). 2.00-2.02 a.m. News Summary.

RADIO 3 464m, Stereo & VHF

†Medium Wave only

†7.55 a.m. Weather. 8.00 News. 8.05 Aubade (S). 9.00 News. 9.05 Record Review including Building a Library (S). 10.15 Stereo Release of music by Schumann (S). 11.05 Holmboe and Tchaikovsky (S). 12.02 p.m. James Galway presents music on records (S). 12.55 News. 1.00 Heritage. 1.15 Bach and Schubert piano recital (S). 2.15 Man of Action: Christopher Driver chooses records (S). 3.35 Music of the Masters (S). 5.00 Jazz Record Requests (S). 5.45 Critics' Forum. 6.35 The Classical Guitar (S). 7.10 The Garden in April. 7.30 British Choral Music, part 1: Parry, Rutter (S). 8.05 Turn of the Screw (talk by R. W. Burchfield). 8.25 British Choral Music, part 2: Mathias (S). 9.25 Italian String Trio (S). 9.50 Among the Witnesses. 10.25 Xenakis music for cello (S). 10.45 Sounds Interesting (S). 11.25 News. 11.30-11.35 Tonight's Schubert Song on record (1942).

Radio 3 VHF only—6.00-8.00 a.m. Open University.

RADIO 4

434m, 330m, 285m and VHF

(Q) Quadraphonic broadcast

6.30 a.m. News. 6.32 Farming To-day. 6.50 Yours Faithfully. †6.55 Weather programme news (VHF) Regional News. 7.00 News. 7.10 On Your Farm. 7.40 To-day's Papers. 7.45 Yours Faithfully. 7.50 It's a Bargain. †7.55 Weather; programme news (VHF) Regional News. 8.00 News. 8.10 Sport on 4. 8.45 Yesterday in Parliament. 9.00 News. †9.05 International Assignment. †9.30 The Week in Westminster. †9.55 News Stand. †10.15 Daily Service. †10.30 Pick of the Week. †11.20 Time for Verse. †11.30 Science Now. 12.00 News. 12.02 p.m. James Galway (S) (as Radio 3). †12.55 Weather, programme news (VHF) (except London and SE) Regional News. 1.00 News. 1.15 Any Questions? †2.00 War and Peace. †3.00 News. †3.05 Does He Take Sugar? †3.55 Music of the Masters (as Radio 3). 5.00 Kaleidoscope Encore. 5.30 Week Ending. †5.55 Weather, programme news (VHF) Regional News. 6.00 News. 6.15 Desert Island Discs. 6.50 Stop the Week with Robert Robinson. 7.30 These You Have Loved (S). 8.30 Saturday-night Theatre: "The Tale of the Knight, the Witch and the Dragon," by J. C. W. Brook (S and Q). 9.58 Weather. 10.00 News. 10.15 On The Town. 11.00 Lighten our Darkness. 11.15 News.

Open University (VHF only) 9.05 a.m.-12.00 and 2.00-5.00 p.m.

CHESS SOLUTIONS

Solution to Position No. 210

1 RxB! RxR (if QxR; 2 RxN ch, RxR; 3 BxP ch, or if PxR; 2 QxR); 2 RxN ch, RxR; 3 QxP ch, Resigns. If QxQ; 4 BxQ ch and 5 BxR.

Solution to Problem No. 210

1 K-B5, Q-B1; 2 N-N7 ch, QxN; 3 B-K5 ch, Q-N3; 4 BxQ ch, PxB ch; 5 KxP, P-N4; 6 K-B5, P-N5; 7 PxP mate.

Weekend Choice

SATURDAY: If you missed this year's Christmas lecture series from the Royal Institution on Planets, BBC2 start a repeat showing to-day at 6.05: not a boring academic talkathon, but a fascinating series by Prof. Carl Sagan, the young American who has enlivened many a dull science programme. Supposed to be for children, but suitable for anyone intelligent.

The other worthwhile BBC2 repeat in Orders from Above, the "we only did what we were told" story of Britain's despicable repatriation of Russian prisoners at the end of World War II; even more topical after Tolstoy's recent book than when Robert Vas made the programme. Alternatively The South Bank Show on ITV looks interesting for once: Paul Morissey's comedy version of "The Hound Of The Baskervilles" with Dud and Pete is the main subject (10.15).

SUNDAY: Best programme of the week-end will probably be BBC1s final of Young Musician of the Year (8.05) since the heats have been so breathtakingly impressive. And if the Lawrence Durrell programme on Greece was any guide, then BBC2s Spirit Of Place with Durrell returning to the sites of the Alexandria quartet should be marvellous.

A much disguised Dudley Moore in LWT's South Bank Show to-night

ENTERTAINMENT GUIDE

CC—These theatres accept certain credit cards by telephone or at the box office.

OPERA & BALLET

COLISEUM. Credit cards 01-240 5258. Reservations 01-836 3161. ENGLISH NATIONAL OPERA Tonight 7.30 Don Giovanni (final perf.); Tues. & Fri. next 7.30 Julietta; Wed. 7.00 Carmen; Thurs. 7.00 Force of Destiny (final perf.). 104 balcony seats always available day of performance. Now booking for May perfs.

COVENT GARDEN. CC. 240 1066. (Gardencharge credit cards 836 6903) THE ROYAL OPERA Tonight & Tues. 7.30 p.m. Death in Venice. Thur 7.30 p.m. Der Freishutz. THE ROYAL BALLET Mon. 7.30 p.m. The Firebird & Song of the Earth. Fri. 7.30 p.m. Romeo & Juliet. 65 Amphi' seats for all perfs. on sale from 10 a.m. on day of perf. COVENT GARDEN SUNDAY CONCERTS Tomor. 8.00 p.m. ILEANA COTRUBAS. Tickets £1-£5.

SADLER'S WELLS THEATRE. Rosebery Ave., E.C.1. 837 1672. 19 April to 13 May SADLER'S WELLS ROYAL BALLET

THEATRES

ADELPHI THEATRE. CC. 01-836 7611. Evgs. 7.30. Mats. Thurs. 3.0. Sat. 4.0. IRENE THE BEST MUSICAL of 1976, 1977 and 1978! IRENE "LONDON'S BEST NIGHT OUT." Sunday People. ALREADY SEEN BY NEARLY ONE MILLION HAPPY THEATRE-GOERS. CREDIT CARD BOOKINGSS 836 7611.

[illegible] 836 3785. Party Rates. Credit card bkgs. 836 1071-2 (from 9 a.m.-6 p.m.) Mon., Tues., Wed. and Fri. 7.45 p.m. Thurs. and Sat. 4.30 and 8.00. "A THOUSAND TIMES WELCOME IS LIONEL BART'S MIRACULOUS MUSICAL." Fin. Times. OLIVER with ROY HUDD and JOAN TURNER. "CONSIDER YOURSELF LUCKY TO BE ABLE TO SEE IT AGAIN." Daily Mirror.

ALDWYCH. 836 6404. Info. 836 5332. ROYAL SHAKESPEARE COMPANY in repertoire. Opening perfs. of new London season. Tonight 7.30 red. price preview HENRY VI PART 2 "magnificent." Guardian. With: HENRY VI Part 3 (Mon) HENRY V (Tues) HENRY VI Part 1 (Wed mat) Part 2 (Wed eve) Part 3 (Thurs). RSC also at THE WAREHOUSE (from Mon) and at Piccadilly Theatre in Peter Nichols' PRIVATES ON PARADE.

ALMOST FREE. 485 6224. Limited Season Only! Wolf Mankowitz's SAMSON & DELILAH. N.B. Nightly at 8 p.m. incl. Suns. No show Fris.

AMBASSADORS. CC. 836 1171. Evgs. 8.0. Mats. Tues. 3.0. Sat. 5.0. A Rock Revue LET THE GOOD STONES ROLL "Louis Selwyn gyrates brilliantly as Mick Jagger." D. Tel. "Raw excitement." D.Mi. "Audience Cheered." S. Tel.

APOLLO. 01-437 2663. Evenings 8.00. Mats. Thurs. 3.00. Sat. 5.00 and 8.00. DONALD SINDEN (Actor of the Year, E. Std.) "IS SUPERB." N.o.W. SHUT YOUR EYES AND THINK OF ENGLAND "WICKEDLY FUNNY." Times.

ARTS THEATRE. 01-836 2132. TOM STOPPARD'S DIRTY LINEN "Hilarious . . . see it." Sunday Times. Monday to Thursday 8.30. Friday and Saturday at 7.00 and 9.15.

ASTORIA THEATRE. Charing Cross Road. 01-734 4291. Nearest Tube: Tottenham Court Road. Mon.-Thurs. 8.00 p.m. Friday and Saturday 6.00 and 8.45. ELVIS Instant Credit Card Reservations. Eat in our fully-licensed Restaurant and Buffet Bar lunchtime and before or after show —bookable in advance. BEST MUSICAL OF THE YEAR EVENING STANDARD AWARD

CAMBRIDGE. 836 6056. Mon. to Thur. 8.0. Fri., Sat. at 5.45 and 8.30. IPI TOMBI Exciting Black African Musical. "Finest dancing in London. Sheer dynamism." Daily Mail. THIRD GREAT YEAR Dinner and Top-price seat £8.25 inc.

COMEDY. 01-930 2578 Evening 8.0. Thurs. 3.0. Sat. 5.30, 8.30 MOIRA LISTER TONY BRITTON Margaret COURTENAY, Dermot WALSH THE HIT COMEDY THRILLER MURDER AMONG FRIENDS "Blackmail, armed robbery, double bluff and murder." Times. "A good deal of fun." Evening News.

CRITERION. CC. 01-930 3216. Evenings 8.0. Sats. 5.30, 8.30. Thurs. 3.0. LESLIE PHILLIPS "Impeccable . . . a master." Sun. Times. in SEXTET "HILARIOUSLY FUNNY." N. of World.

DRURY LANE. 01-836 8108. Every Night 8.00. Matinee Wed. and Sat. 3.00. A CHORUS LINE "A rare devastating, joyous, astonishing stunner." Sunday Times.

DUCHESS. 836 8243. Mon. to Thurs. Evgs. 8.0. Fri., Sat. 6.15 and 9.00. OH! CALCUTTA! "The Nudity is stunning." Daily Tel. 8th SENSATIONAL YEAR

FORTUNE. 836 2238. Evgs. 8. Thurs. 3. Sat. 5.00 and 8.00. Muriel Pavlow as MISS MARPLE in MURDER AT THE VICARAGE Third Great Year.

COLLECTING

Lautrec and the theatre

BY JANET MARSH

THE LAST part of the collection of Toulouse-Lautrec lithographs formed by the brothers Erik and Ludwig Charell will be sold by Sotheby's on April 27. Erik Charell's name may well stir nostalgia in older readers. His long career in the theatre and cinema had two outstanding triumphs. In 1931 he directed Lillian Harvey in *Congress Dances,* which launched a whole genre of operetta film; and the same year he came to London to direct the memorable production of *White Horse Inn* (which he had already directed in Berlin) at the London Coliseum.

Leaving Germany after Hitler, Charell's career never recaptured this brief period of outstanding success. As collectors, however, the Charell brothers invested their efforts and their money with brilliance. They accumulated an almost complete collection of the 357 lithographs produced by Lautrec in the decade between 1891 and his death in 1901. Exhibited in London in 1951 by the Arts Council, the collection was unequalled in Europe and perhaps anywhere in the world, and its dispersal is inevitably a cause for regret. The Charells did most of their buying at a time when these masterpieces of the art of lithography were regarded as "only prints." Since then however prices have escalated until no individual could afford—even if he could find—such a comprehensive collection. The dispersal in fact began 12 years ago during the Charell's lifetime, when Sotheby's sold about half the collection.

It is easy to see the special attraction of Lautrec for a man of the theatre. Lautrec, haunting the theatres, *caf'concerts* and brothels of Montmartre, was totally absorbed in the atmosphere and the psychology of the popular theatre. He went 20 times to see Marcelle Lender in *Chilpéric,* explaining *"Je viens seulement pour voir le dos de Lender; regardez-le avec soin, vous ne verrez jamais un de si magnifique."* The magnificent back, and practically every other aspect of the splendid Lender were to be recorded in one of his longest series of lithographs.

Lautrec's very first lithograph was a subject from the *caf'concert.* In 1891, with the sudden revival of interest in colour lithography, he designed a poster for La Goulue's appearances at the Moulin Rouge. La Goulue, whose scandalous relationships with other dancing girls did nothing to diminish the public's enthusiasm for her acrobatic dancing and brisk insolence, is portrayed with her lean and lugubrious partner Valentin le Désossé, who appeared nightly at the Moulin without payment, simply for the pleasure of the applause.

Self-indulgence and the greed which earned her her *nom d'art* (La Goulue means "The Glutton") took their toll of her looks and figure and talent. She was reduced to exhibiting herself in fairs and in a lion's cage; and ended up selling fruit at the Moulin Rouge where she had once reigned. At the time of her death in 1929 she was living with an old mongrel in a hut in the no-man's-land of St-Ouen.

Many of the stars of the *caf'concerts* would have been forgotten entirely but for Lautrec's immortalisation. There was Madama Abada, whose speciality was dreadful grimaces; Aristide Bruant, who opened his own cabaret, *Le Mirliton,* where audiences delighted in the ribald insults he hurled at them; and several English girls who had a vogue in Anglophile Paris—Mary Hamilton, a male impersonator, Ida Heath and May Belfort, who had a triumph with a song she had stolen from Vesta Victoria, "Daddy Wouldn't Buy Me a Bow Wow."

Dressed in baby clothes and hugging a black cat, her act was a favourite subject for Lautrec. Evidently he took a *personal interest in Miss Belfort's affairs;* in a letter to a *friend he endeavours to make* a match between her black cat *and a Siamese: "Est-ce que votre Chat de Siam est mûr pour la chose? Un petit mot s.v.p. et fixons-nous un rendez-vous."*

Other subjects were famous in their own right: the superb Yvette Guilbert, the glittering English impressionist Cissy Loftus, and Anna Held, discovered on the London music halls by Florenz Ziegfeld, who made her both his wife and a great Broadway star.

To capture the effect of the kaleidoscopic lights which illuminated Loie Fuller's flowing draperies as she danced, Lautrec inked his litho stones with different colours for every impression, and sprinkled them with gold and silver dust. Marthe Brandès of the Comédie is depicted not only in performance, but in an unguarded moment in her box, gazing with undisguised disapproval at a rival performer.

It is only through Lautrec's portraits that we can still see the comic gifts of Réjane (of whom Sotheby's otherwise exemplary catalogue relates bizarrely Proust was lodging in Réjane's house at the time of her death in 1895." In fact she continued to act until 1915, and died five years later). Evidently preferring more frivolous actresses, he made only one lithograph of the great Bernhardt, in *Phèdre;* and even that was possibly taken from a photograph.

Light as the subjects were, Lautrec's technique was meticulous. The most remarkable item in the Charell sale is a group of five proofs—four rejected, one approved—all firmly ripped by Lautrec's hand. These rare witnesses of the artist at work, rescued from the printing shop floor 80 years ago, are estimated to sell for more than £25,000.

For those of us who can't compete in such a market, it is consolation to know that we already own some of the best, by courtesy of the British Museum, whose fine collection of French lithographs is currently on view for the first time in the exhibition "From Manet to Toulouse-Lautrec: French Lithographs 1860-1900."

From the pioneer work of Bresdin, Courbet, Millet, Corot and Manet and the thrilling eccentricities of Redon, it traces the development of the French lithograph to the masterworks of the nineties—Vuillard, Bonnard, Pissarro, Dégas and Lautrec. Though the BM's holdings of Lautrec are dwarfed by the Charell collection, it includes many of the finest and the best states.

TV Ratings

U.K. TOP 20: Viewers (m.)
w/e March 26

1.	A Sharp Intake of Breath (ATV)	19.75
2.	Coronation St. (Mon.) (Granada)	18.30
3.	This is Your Life (Thames)	18.15
4.	Coronation St. (Wed.) (Granada)	17.95
5.	Opportunity Knocks (Thames)	17.30
6.	George and Mildred (Thames)	16.70
7.	Going Straight (BBC)	16.45
8.	Mind Your Language (LWT)	15.75
9.	Crossroads (Wed.) (ATV)	15.30
10.	Crossroads (Tues.) (ATV)	15.30
11.	Mixed Blessings (LWT)	15.20
12.	Dave Allen (ATV)	14.90
12.	Wilde Alliance (Yorks.)	14.90
12.	Armchair Thriller (Thurs.) (Thames)	14.90
15.	Emmerdale Farm (Tues.) (Yorks.)	14.70
16.	Robins Nest (Thames)	14.60
17.	All Creatures Great and Small (BBC)	14.55
18.	Mike Yarwood in Persons (BBC)	14.45
19.	Crossroads (Thurs.) (ATV)	14.40
20.	Crossroads (Fri.) (ATV)	14.35

Figures compiled by Audit of Great Britain for the Joint Industrial Committee for Television Advertising Research (JICTAR).

U.S. TOP TEN (Neilsen Ratings)
w/e April 2

1.	MASH (comedy) (CBS)	30.8
2.	Threes Company (comedy) (ABC)	28.9
3.	Laverne and Shirley (comedy) (CBS)	28.8
4.	One Day at a Time (drama) (CBS)	28.8
5.	Happy Days (comedy) (ABC)	27.9
6.	Waltons (drama) (CBS)	25.1
7.	CBS On the Air (special) (CBS)	25.1
8.	Alice (comedy) (CBS)	24.9
9.	Soap (comedy) (ABC)	24.7
10.	60 Minutes (news) (CBS)	24.6

A Neilson rating is not a numerical total.

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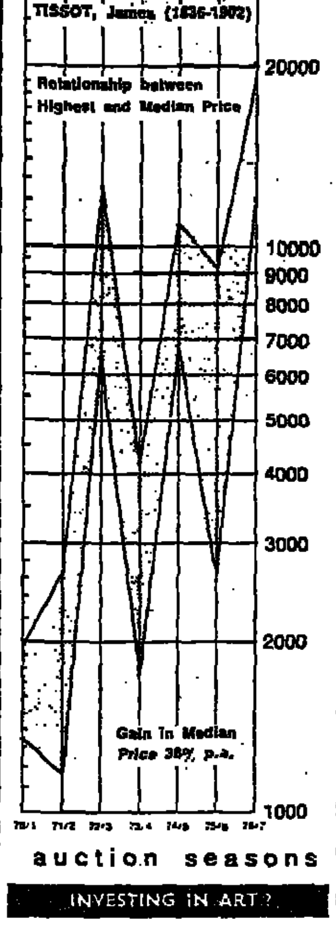

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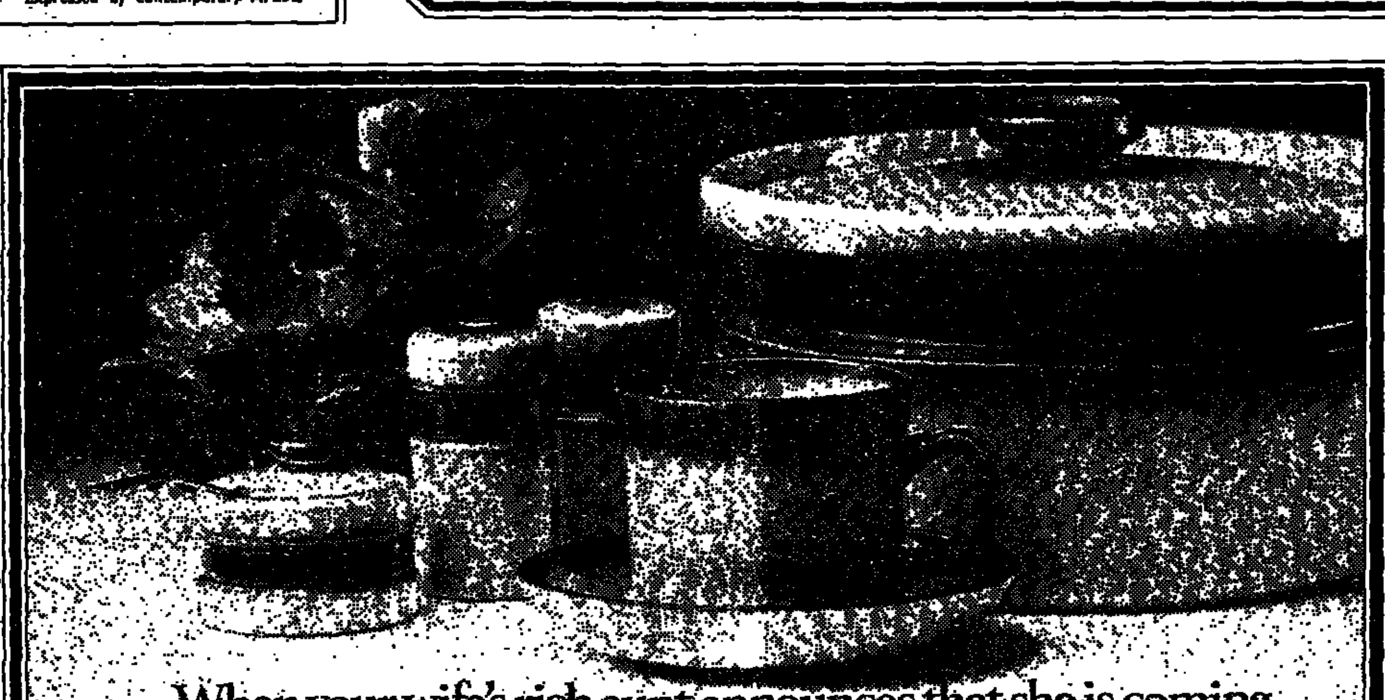

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EXPERIENCE AND EXPERTISE

William Blake:
Chaucer's Canterbury Pilgrims, engraving, detail of second state

On April 18th Christie's will be selling two impressions of William Blake's engraving *Chaucer's Canterbury Pilgrims.* This engraving was the cause of a deep rift between Blake and his close friend and co-pupil Thomas Stothard. The publisher Thomas Hartley Cromek had commissioned the picture from Blake on the understanding that Blake would subsequently engrave it and reap the monetary benefits. However, Blake found out that Cromek really intended to engage William Bromley, so he determined to carry out the project himself. Cromek approached Stothard for a picture of the same subject which Schiavonetti engraved. This rival production was published before Blake's and its success contrasted with the failure of Blake's engraving to secure substantial public subscription. Stothard protested that he had been unaware of Blake's project but Blake believed himself to have been cheated. One of the impressions at Christie's is of the rare second state and comes from the collection of Colonel William Stirling whose family formerly owned Blake's original tempera painting of *Chaucer's Canterbury Pilgrims.* For further information on this sale of important Old Master Engravings, Etchings and Woodcuts, please contact James Roundell at the address above.

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Edited by Denys Sutton

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Saturday April 8 1978

A qualified optimism

THERE IS NO doubt that practically everyone, from Ministers to taxpayers and from pure Keynesians to out-and-out monetarists, are looking forward to next week's Budget with a much more qualified optimism than was widespread a few months ago. Then it was hoped that the success of the Government in keeping the public borrowing requirement and the growth of the money supply under control; the balance of payments surplus made possible by North Sea oil and the huge rise in official reserves which had accompanied its emergence; and the greater restraint over pay increases in the current round than most people had expected would all enable the Chanacellor to cut taxes so as both to reduce unemployment and increase living standards.

Two things have caused the general mood to change. First, the dismal outlook for world trade and the high level of U.K. imports even during the recession have made the balance of payments prospect less cheerful. Second, there is no firm reason to believe that further progress towards reducing the rate of inflation will be made after the end of this year. On the one hand, therefore, attention has switched back from the immediate situation to the intractable long-term problems of the U.K. economy. On the other, it has become clear that the Chancellor will have to continue paying close attention to the state of confidence in financial markets.

Money supply

That is not to say that there is no scope for tax cuts. The latest monetary indicators published this week are slightly more reassuring than the more pessimistic monetarists expected. First, the reserve of foreign exchange fell last month, after netting out various small official loans and loan repayments, by only $280m.—a tiny sum compared with a total reserve of $20bn., especially given the confused state of the foreign exchange markets. But there was a fall—the first for nearly a year—and it took place before the fairly heavy intervention in the market by the Bank of England designed to demonstrate that there would be no sudden collapse in the stering rate. If President Carter's coming message on inflation were to succeed in restoring confidence in the dollar, the fall would no doubt be larger. This would satisfy those who want to keep the exchange rate "competitive," however, and on balance its effect on control of the domestic monetary supply would probably be favourable.

The rate of increase in the money supply on the measure most favoured by the authorities has until recently been rather fast, principally because of foreign currency inflows and other special factors. The Government will be lucky if it keeps the growth of M3 for the financial year as a whole within the stated target of 9-13 per cent. But the rate of increase in the eligible liabilities of the banks suggests that the growth rate has probably continued to decline in the latest month and is now running at a much more tolerable figure.

Tax cuts

The Chancellor will be setting a new monetary target in the Budget, probably one to be revised quarterly or half-yearly according to circumstances. Since he will have to sell gilt-edged to the public in less favourable conditions to finance the public sector deficit, he will have to convince the market that the size of the deficit is reasonable and his monetary target compatible with a further drop in inflation. That will restrict his freedom of manoeuvre to some extent.

But his overriding object should be what the Liberals put in the forefront of their own Budget proposals this week, further cuts in direct taxation offset to some extent by increases in indirect taxes which have fallen below the general increase in prices. One can criticise the Liberal figures for being more ambitious than a Government in office is likely to risk—and they seem content to go on working with this Government provided that it supports the general lines of their proposals. One can criticise the Liberals more particularly for continuing to oppose an increase in the petrol duty, which would make excellent economic as well as fiscal sense.

But the Government will equally deserve criticism if it fails to take maximum advantage of the scope for cutting direct taxation which it now commands. The Prime Minister made clear his view some time ago that lower taxes rather than increases in public spending were what the electorate wants. Rates need cutting, moreover, not only at the bottom but at the top, where the disincentive effect is greatest and the cost of cutting smallest. It is to be hoped that the Chancellor will stand up to his Left Wing.

The main income tax options open to Mr. Healey

BY DAVID WAINMAN, Taxation Correspondent

ROME may not be burning, but the Chancellor is getting tuned up for another fiddle with the income-tax system and rates. What follows is an examination of the options open to him and what he will say that his chosen course is "costing" him. Also how many pounds will end up in our pockets.

An increase in personal allowances is widely expected. An indexation provision was written into last year's Finance Act, but is widely misunderstood. It requires that the 1978-79 allowances should be increased over those for 1977-78 by the same percentage as the retail price index increased during 1977 (subject to an escape clause allowing that a Treasury Order can specify a lower percentage). It is not, however, the 1977-78 rates of allowances operating at present which form the baseline, but those which featured in the 1977 Finance Act itself. That is why Denis Healey was able to say in his mini-budget last October that the rises he was then giving fully met what he was required to do by April this year.

The figures which follow show changes in an individual's position assuming that he is a married man with two children under 11. Built into these are also the increases in child benefits, and those in national insurance contributions assuming that our married man is not contracted out of the earnings related State pension.

Increases in the married man's personal allowance of £100, £200 and £300 would affect his spendable income as follows:

Taxpayer earning:	Increase £100	£200	£300
£1,500	Nil	Nil	Nil
£2,000	34	68	102
£2,500	34	68	102
£3,500	34	68	102
£5,000	34	68	102
£7,500	34	68	102
£12,500	60	120	180

The number of taxpayers taken out of the tax system would be 70,000 if the allowance was raised by £100, while the cost to the Revenue would be around £400m. A rise in the single person's allowance of £100 would take 200,000 out of the tax net and cost £440m.

Below the threshold of tax, there is obviously no benefit obtainable. Thereafter the benefits are level up to the point, between £7,500 and £8,000 a year at which the taxpayer reaches the higher rates of tax. By £12,500 his marginal rate is 60 per cent., and it is this percentage of any increase in allowances which he finds in his pocket.

At the lower end of the earning scale the poverty trap is sprung by these increases in personal tax allowances. An increase of £1 in earnings for an individual whose income is high enough to bring him into the taxable category can result in burdens against that marginal £ in the following ways:

Income-tax at the basic rate	34p
National Insurance	6p
Reduction in Family Income Supplement	50p
Reduction in Rent and Rates Rebates (say) ...	17p
	107p

These figures are taken from an actual example quoted in the Meade Report. Other calculations quoted by the report give marginal rates as high in one instance as 137 per cent. The statistics in this area are extremely difficult to obtain—but it would seem reasonable to assume that a marginal rate of approximately 90 per cent. must apply for married men entitled to draw Family Income Supplement for young children—across a broad band of potential income increases. For single men, Meade indicates that the equivalent marginal rate will be 62 per cent.

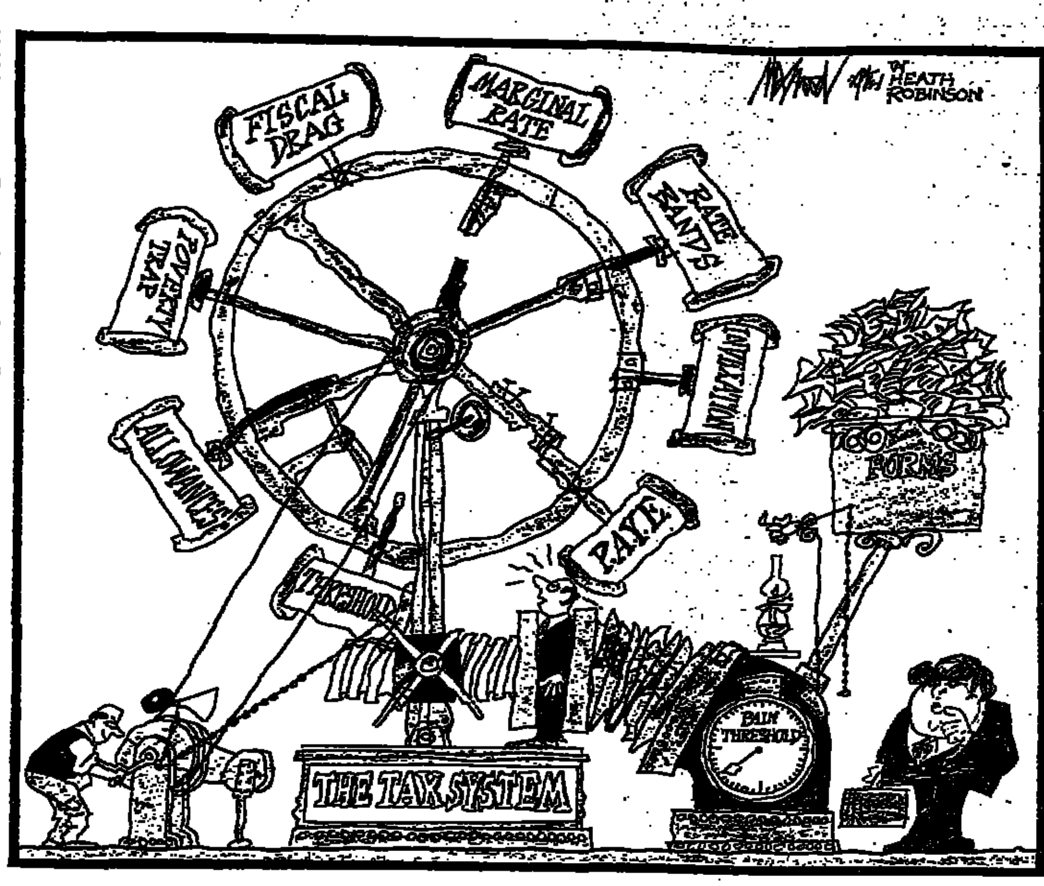
The criticism levelled at chancellors who tolerate the continued existence of the poverty trap is that they are tolerating an effective rate of tax so high that it cannot be other than strongly disincentive. This perhaps overlooks two points. There is no statistical evidence proving and quantifying the deterrent effect of high marginal rates, except for an econometric study carried out among married women in the U.S., comparing the effect on their hours worked of changes in their own and their husbands' net pay.

It seems that fewer workers think in terms of marginal rates than of total burdens of taxation. Everyone's gut feeling to the contrary, the effect of these marginal rates is just as unproven as is the effect of flogging or the death penalty.

But the second point is that high marginal rates suffered by a worker emerging from the trap are a transitory phenomenon—the marginal rate reduces again to 34 per cent. once he clears the jaws of the trap.

However, an increase in personal allowances is of much greater benefit to the taxpayer with a high income, and a high marginal rate than it is to the lower or average earner. The increases in spendable income are progressive to just the same extent as is the tax itself:

Gross income		Increase in spendable income per £100 increase in allowance
£7,500	....	£34
£9,000	....	£45
£12,000	....	£60
£18,000	....	£75
£23,000	....	£83



If Denis Healey thinks that this is less than totally acceptable politically, then there are other possible courses open to him. One ultra simple approach would be to raise the threshold only for the basic-rate taxpayer, so as to give exactly the same benefit to all those at present sufficiently far above that threshold.

Politicians are frequently accused of saying the opposite of what they intend doing. If Denis Healey were to go for a lift in the basic-rate threshold, he would have to describe it as an increase in personal allowances with matching decreases in the levels at which the higher rates began to operate. The figures for a £9,000-a-year man, and for one on £12,000 can be seen as in Table A.

The cost to the Revenue of this may be regarded as unacceptably high. This is a direct result of successive chancellors having determined that both allowances and rate bands should increase less quickly than inflation. More people enter the taxpaying arena, and those already there pay a greater percentage of their income in tax each year—the phenomenon known as fiscal drag.

But if we really want to hear Denis Healey's pips squeaking, what about suggesting that not only should personal allowances be indexed, but so also should the higher rate bands (see Table B).

On this basis the comparative and National Insurance contribution liabilities less Child Benefits, under the old and the new band structure—and also assuming a £300 increase in personal allowances—would be:

Income £	Existing liabilities £	New liabilities £
7,500	2,154	2,022
9,000	2,762	2,581
12,000	4,314	3,945
18,000	8,266	7,632
23,000	12,043	11,289

TABLE A

34% band would not end at	£6,000	but at	£6,726
40% " " " " "	£7,000	but be raised £1,121 to	£7,847
45% " " " " "	£8,000	" " " £1,121 "	£8,968
50% " " " " "	£9,000	" " " £1,121 "	£10,089
55% " " " " "	£10,000	" " " £1,121 "	£11,210
60% " " " " "	£12,000	" " " £2,242 "	£13,452
65% " " " " "	£14,000	" " " £2,242 "	£15,694
70% " " " " "	£16,000	" " " £2,242 "	£17,936
75% " " " " "	£21,000	" " " £5,605 "	£23,541

TABLE B

		Gross income			
			£ 9,000		£ 12,000
Existing allowances		1,655		1,655	
Increase therein ...		300		300	
			1,955		1,955
Taxable income .			7,045		10,045
		£ £		£ £	
Taxable at basic	34%	1–5,700	1,938	1–5,700	1,938
	40%	5,701–6,700	400	5,701–6,700	400
	45%	6,701–7,045	155	6,701–7,700	450
	50%			7,701–8,700	500
	55%			8,701–9,700	550
	60%			9,701–10,045	207
Total tax			2,493		4,045
Comparing with existing liabilities			2,595		4,147
Increase (equal to £300 at 34 per cent.) in post-tax income			102		102

Reverting to the possibility that Denis Healey might wish to concentrate his assistance on those emerging from the poverty trap, and those at the lower end of the income scale, another possibility is the introduction of reduced rate bands. The Inland Revenue are known to view this possibility with extreme disfavour, because of the additional work it would entail. Understanding how and why the Revenue's workload would increase is an essential part of understanding just what is meant by the reduced rate bands. It is easiest to look at this in its application to a married man drawing the basic State pension. With additio[nally] £300 of earnings and £6[00] of investment income, his t[ax] computation would be:

	£
Pension	1,400
Earnings	300
Investment income (gross)	1,000
	£2,700
Age allowance	1,975
Taxable income ...	725
at 34 per cent.	246.[illegible]
tax credits on dividends	340.[illegible]
Repayment due	£93.[illegible]

If reduced rates were to [be] introduced, the tax liabili[ty] might be calculated:

£300 at 15 per cent. ...	£45.[illegible]
£200 at 25 per cent. ...	£50.[illegible]
£225 at 34 per cent. ...	£76.[illegible]
£725	£171.[illegible]

This would produce a rep[ay]ment of £168.50 (which [is] greater than before by the val[ue] of £300 at 19 per cent. and £2[00] at 9 per cent., that is £75).

However, it is easy to see th[at] the number and amount of [re]payment claims are likely to [be] larger than under the prese[nt] system. Secondly, if the ben[e]fits of reduced rates are to [be] built into the PAYE tables, th[en] it becomes rather more diffic[ult] to deal with the individual w[ith] more than one employment. [It is] mainly the difficulty ari[sing] where taxpayers change jo[bs] possibly with a time interv[al] before obtaining the second jo[b] and with little regard [for] prompt operation of t[he] Revenue's procedure for obta[in]ing a P.45 form from the [old] employer and passing it to t[he] new one.

Reduced rate bands do ve[ry] successfully cope with the pro[b]lem of marginal rates at t[he] mouth of the poverty trap. A[nd] they are even-handed betwe[en] all taxpayers with sufficient [in]come to utilise them. If th[ey] were to be set at the lev[el] suggested above—£300 at 15 p[er] cent.—the cost to the Reven[ue] would be £1½bn.

Professor Ivor Pearce [re]cently described the U.K. t[ax] system as a Heath Robins[on] structure of such exquisite p[er]fection that the temptation [to] any Chancellor was not to co[m]mand its destruction, but [to] adorn it. Mr. Healey will n[ot,] this year, be replacing incom[e] tax with the tax credit syst[em] which his officials have be[en] examining for nearly a deca[de;] he will not be moving towa[rds] a week-by-week, non-cumulat[ive] PAYE system; he will not [be] taking great steps towards [the] goal of self assessment.

If he makes a great leap f[or]wards in the direction of inde[xa]tion, we shall all be out of [our] tiny minds with jubilation.

Letters to the Editor

Manufacturing

From Mr. J. Hartley.

Sir,—Mr. Ray Horrocks' outburst against the Japanese (March 31) is presumably intended to bolster the morale of Leyland workers since he must know that the success of the Japanese motor industry has resulted in many markets from failures of British manufacturers to take advantage of opportunities that were there. Now, the Japanese are only a threat in Europe because of our weak position.

He says "Britain played to the rules" by which he means we did our best to throttle the motor industry, I assume. The facts are that over the past decade or so, Britain has done its best to relegate manufacturing industry to the second division. Governments, with their stop-go measures, and too much ill-considered legislation have taken away any incentive for investment or expansion in industry. They have also bent over backwards to see that industry got the minimum help possible. At the time of the Ryder rescue of British Leyland, the Select Committee seemed more interested in ensuring that Leyland did not get loans at lower than normal interest rates than on rescuing the company. Presumably, it did not want any unfair competition for the Germans and Japanese!

British management has also failed. It has not modernised plant to increase productivity nor has it attempted to improve working conditions, and the British motor industry is alone in Europe in not having experimented on a practical basis with job enlargement or job enrichment. We all know that workers on the shopfloor, no doubt aggravated by their working conditions, have also failed to produce regularly or to required quality levels as a matter of course.

Then, the environmentalists have presented the use of the economical 40-tonne trucks that our competitors on the Continent use, and have slowed up the motorway programme. In other words, as a nation, we don't really want to be dominated by manufacturing industry, and so we are not prepared to give it any priority.

Perhaps we are right to want to opt out of manufacturing industry, especially where high-volume rates are essential, but to blame those who do support their industry is surely plain humbug.

John Hartley.
3 Highwoods Close,
Marlow Bottom,
Marlow, Bucks.

Markets

From Mr. J. Davey.

Sir,—I do not pretend to understand the "New Cambridge" ideas reviewed by Mr. Harris on March 30, but somewhere it appears to be a plea for import controls. Such controls arouse very mixed and heated reactions, but I can never understand why we are abandoning what seems to be a form, albeit mild, of import control, namely "Imperial measures."

I have no figures, but it seems reasonable to suppose that a manufacturer can sell to, say, 20 per cent. of the home market as opposed to 2 per cent. of an overseas market. So a United Kingdom manufacturer can sell to 10m. people in this country and to, say, 10m. of a 500m. overseas "metric" market. So his production line is therefore shared equally between metric and Imperial products. The "metric" manufacturer can sell to 100m. of his 500m. market, but will only sell to 1m., that is 2 per cent. of the 50m. in the United Kingdom, and seeing such figures could well say "why bother." When we are all metric our overseas manufacturer will have no such problem. Can someone, preferably not from the Metrication Board, tell me where I go wrong—if I have gone wrong.

J. A. Davey.
92, Alexandra Road,
St. Leonards-on-Sea, Sussex.

Engineering

From Mr. G. Webb

Sir,—The proposal to run engineering craft apprenticeships in state schools need not amaze Mr. W. E. G. Woods (April 1) if we consider that engineering training has come to mean but the partial training of mechanics. The lamentable watering-down of the once-respected City and Guilds of London standards is further evidence that the problem of our growing need for training skilled craftsmen and technicians has yet to be seriously tackled.

There is however a grain of sense in Mrs. Shirley Williams' plans: a single keen metalwork master in a good junior school can enthuse and inform more potential technicians or chartered engineers than could a number of science-oriented teachers counselling O- or A-level age groups.

G. F. Webb.
3 Restormel Terrace,
Falmouth, Cornwall.

Africa

From Mr. W. Goldsmith

Sir,—Major-General R. Mans refers to Russian aggression in the Horn of Africa (March 30). What can be mean? Massive Soviet and Cuban aid for the regime in Ethiopia was in response to serious threats to the territorial integrity of that country from insurgent Somalis in the Ogaden region and from invasion by Somali regular forces. Does such action count as aggression?

Somalia has laid claim to territory in Northern Kenya inhabited by Somali tribes. Would action by Britain to support Kenya in the event of Somali military action to secure these territories constitute an act of aggression?

W. Goldsmith.
37 Sulgrave Road,
Washington, Tyne Wear.

Money

From Mr. H. Irvine-Fortescue

Sir,—May I reply to Mr. Gray's letter (April 3)? I suggest that paper money backed by production — say houses — would not work. Government can manipulate production in many ways, by subsidising housing starts or imposing taxes. But Government cannot create gold.

Let us not forget that from the time Britain went on to the gold standard in 1816 she enjoyed a period of stability and prosperity, without inflation, which lasted until World War I. Government then left the gold standard and paid for the war in paper money; inflation was born!

An effort to return to the gold standard in the 1920s failed because Government grossly over-valued the pound. Had Government valued the pound realistically and at the same time pursued the necessary policy of mild deflation, the crash of 1929 and subsequent depression might well have been avoided. Government and politicians (as now) found it politically unacceptable to deflate and by so doing ensured the terrible deflation later in 1929.

It seems questionable that politicians should be given the power to manipulate the money supply at all.

H. Irvine-Fortesce.
The Old Dairy House,
Trentham Park, Stoke-on-Trent.

Decline

From Mr. R. Musgrave.

Sir,—Samuel Brittan's "Economic viewpoint from Washington" (March 23) is one of a long line of articles by various authors which all have the same deficiency. They point to the deterioration in the trade off between inflation and unemployment, or to the increase in the natural level of unemployment, and then devote the remaining paragraphs to discussing what in the circumstances is the best thing to do with demand, the exchange rate or other macro economic/global considerations. This is rather like noticing that a car is long overdue for a service and then discussing whether it can in the circumstances be driven at full throttle. Of far more relevance is to discuss exactly what has gone wrong and set about doing the necessary repairs.

On the assumption that the natural level of unemployment has risen and it is doubtful that it has risen by as much as unemployment itself, may I submit a list of possible reasons? Given the reasons, there is of course scope for argument as to what the best remedies are, but itemising some reasons is at least a first step.

The decline in differentials has probably reduced the incentive (particularly after tax) to do certain skilled or demanding jobs, which will make skilled labour shortages a serious problem at higher levels of unemployment than in the 1960s.

The rise in unemployment benefits doubtless contributes to *some* extent, but probably not very much. In the case of youth unemployment the decline in differentials has priced many youths out of the market and employment protection has induced employers to sack or not take on youths during periods of rising unemployment.

There are also the increased number of labour-mobility-destroying council houses and the decline in rewards, particularly after tax, for the people who do the employing, namely the entrepreneurs.

No point in taking risks these days; the public sector plus inflation-proofed pensions is much more attractive.

R. S. Musgrave,
24, Garden Avenue,
Framwellgate Moor, Durham.

Tankers

From Mr. W. Purdie

Sir,—I see that, as a result of the Amoco Cadiz disaster, the Government is to review procedures for the transfer of oil cargoes off the English coast. Mr. Clinton Davis is also to investigate the necessity of further international measures to eliminate the repetition of the Amoco Cadiz accident.

Since the country in which Amoco Cadiz was registered was not a signatory to previous recommendations, is there any reason to hope that new measures will receive its support?

There were many years of steady streams of smaller tankers from the Middle East and, apparently, the only pollution emanated from uncovenanted tank cleaning at sea. The coming of the super-tanker may have appeared to reduce costs of transport but only at the expense of ignoring the inevitable hazards.

These ships do not have sufficient water under their keels in coastal areas. The channels which are available are too critical for the manoeuvrability of vessels of this size. As Omoco Cadiz demonstrably proved, the engineering and structural fragility of the ships is of a relatively low order.

Isn't the really sensible produre to go back to tankers of a size commensurate with our navigable waters.

W. K. Purdie.
Bryn Derwen, West Street,
Marlow, Bucks.

Surcharge

Sir,—The Chanacellor must surely do something for the elderly retired men and women who, over the years, painfully accumulated savings in preparation for their retirement and old age and now find their savings overwhelmed by inflation.

Very few of the present retired pensioners enjoy an occupational pension index linked to inflation and depend mainly on interest on past savings for income. The tax authorities term this income as "unearned" and impose the iniquitous tax surcharge.

If the government sincerely wish the elderly to enjoy the financial independence from their hard earned savings to which they are morally entitled they must do away with this unjust tax surcharge.

Kenneth Macintyre.
21 Burlington Avenue,
Kelvinside, Glasgow.

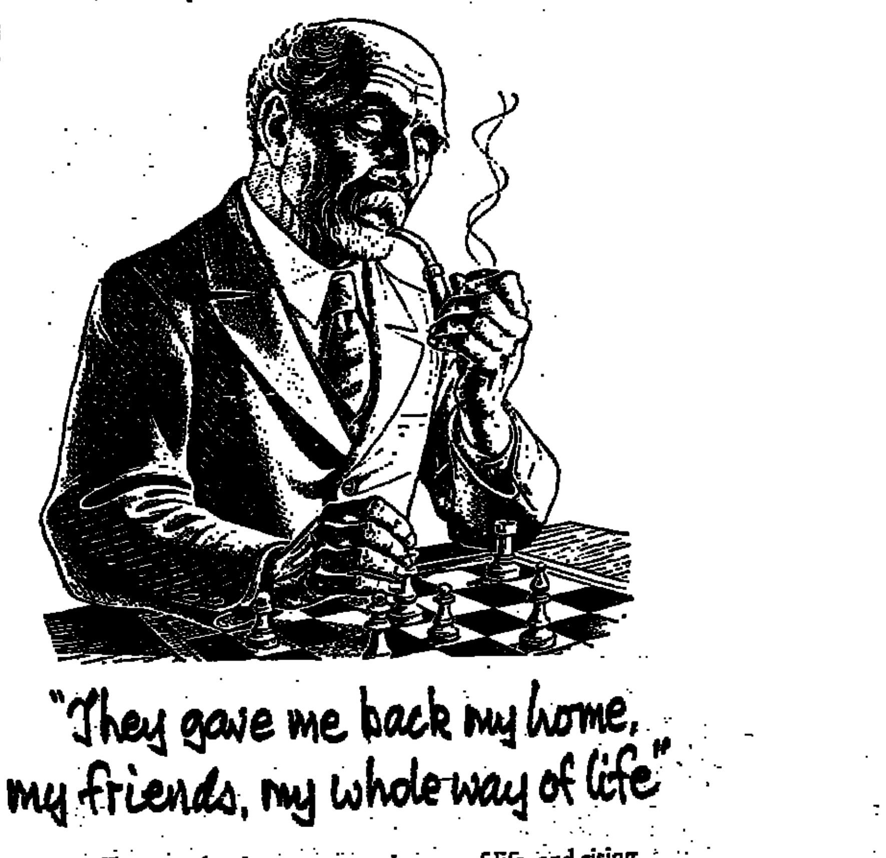
Exemplary

From the Publicity and Membership Division Director The Industrial Society

Sir,—There was a very good piece in Men and Matters (March 29) on "Setting an example." The Industrial Society was one of the organisations which was commented upon for not opening on the Tuesday after Easter.

Like all good observations facts hit home. While it has been practice for the Society to give to its staff an extra day after Bank Holiday the message has been noted and action is going to be taken so that for future Bank Holidays the Society's offices are open.

Tina Tietjen.
3, Carlton House Terrace
S.W.1.



"They gave me back my home, my friends, my whole way of life"

When one has known a certain way of life, and rising costs look like taking it all away, who is there for people like us to turn to?

There is the Distressed Gentlefolk's Aid Association.

The DGAA is run by people who *understand*. They know that we want to stay in our own homes, surrounded by our possessions, and close to the friends of a lifetime. So, they help us with allowances and with clothing parcels. Only when we can no longer cope do the DGAA see if they can offer us a place in one of their 13 Residential and Nursing Homes.

The more you can help the DGAA, the more the DGAA can do to help others. Donations are needed urgently. And please, do remember the DGAA when making out your Will.

DISTRESSED GENTLEFOLK'S AID ASSOCIATION

VICARAGE GATE HOUSE · VICARAGE GATE
KENSINGTON LONDON W8 4AQ

"Help them grow old with dignity"

Britain's shrinking stomach for bread

BY ELINOR GOODMAN, Consumer Affairs Correspondent

OUTSIDERS have seen the writing on the wall for Spillers' bread interest for at least two years. Mounting losses, coupled with occasional, but nagging, stories about the way the company was losing customers and being made to give away more and more money in trade discounts, made some major surgery seem almost inevitable. The only question was when and how much. Neither of its two major competitors—Ranks Hovis McDougall or Associated British Foods—are making money out of bread at the moment but it was always Spillers which looked the most vulnerable. For a start it had no shops of its own unlike its major competitors.

Spillers management has itself been only too well aware of the problems. In successive annual reports, it has spelt out the difficulties experienced with bread. The unions, too, saw the danger. Although their strikes in protest at the mounting level of trade discounts have hardly helped Spillers, the workers shared the company's fears about the future.

But until the beginning of the year, most of the parties involved were still hoping for something less drastic than yesterday's announcement of complete withdrawal from the bread market.

Price war

The trigger point came in January, when the Government told the industry that it had no intention whatsoever of stepping into the market and again taking on the mantle of referee between the bread companies in their price war. What the bakers wanted was a re-imposition of the old statutory discount ceiling, removed a year before, which had effectively limited the degree to which they could cut each other's throats by giving away bigger and bigger incentives to the retail trade.

The ceiling, introduced in 1973 as part of the bread subsidy scheme, was one of the very few government measures in a long history of intervention in the bread industry for which the companies had ever had any reason to be grateful. Generally, as the Monopolies Commission pointed out in its report last year, government—and not just this one, but those going back to the war—had played a major part in creating the industry's problems.

The discount issue, however, was only a symptom of the industry's problem. Even within the industry there were those who regarded the re-imposition of a statutory ceiling as little more than a tourniquet above a wound which would ultimately go rotten.

At the heart of the industry's problem is the question of over-capacity. Since the war average bread consumption has fallen from around 50 ounces per head per week to nearer 30 and though capacity has been reduced by plant closures—Spillers has itself closed 40—the cut-back has not kept pace with the falling rate of demand.

Since last year's bread strike, consumption has fallen even more rapidly. At the moment it is running about 3 per cent. below last year's level and there is little expectation of any recovery. If people did not turn back to eating bread in the lean years of economic recession, they are hardly likely to start eating more of it when they have more money in their pockets.

It was this fact of life which lead Grand Metropolitan to pull out of the industry earlier this year. It also partly explains why the bread companies are so vulnerable to pressure from the retailers for extra discounts. Although all the big groups market heavily advertised brands, there is not much to choose between a loaf of sliced, wrapped Sunblest from Associated British Foods and a similar loaf of Homepride from Spillers. Take the wrapping off and they taste much the same. Retailers therefore do not care very much which brand they stock as long as they get it at a good price and it is delivered regularly.

Daily delivery

Fulfilling both these requirements is expensive. Given the costs of distribution, daily bread delivery—and in many cases at least twice daily—is costly. But it has been the escalating level of discounts which has really added to, losses.

When the Government removed the statutory ceiling last year, the three big companies got around the restrictive practices legislation, which forbids companies combining in private to discuss trading terms, by publicly announcing in turn that they would not give discounts over 26 per cent. At the time the companies seemed to think they had been rather clever in outwitting the Office of Fair Trading in this way, but the limit did not stick, and since then discounts have been reported of well over 30 per cent.

The penalty for not playing the discount game was losing distribution outlets, and none of the bakers could afford that. At it was, the supermarkets were rationalising the number of suppliers they dealt with simply because they decided it was easier not to have delivery vans from different companies jamming up the back entrance to the store. Spillers, for example, was eased out of most Tesco branches although it managed to pick up some extra business from the Northern discount chain, Asda.

THE BREAK-UP OF SPILLERS

BAKERIES TO BE CLOSED

High Wycombe	Manchester
Dagenham	Preston
Wood Green	Blackpool
Bristol	Stoke-on-Trent
Plymouth	Hull
Crawley	Leeds
Maidstone	Birtley
Gorleston	Middlesbrough
Grimsby	Glasgow
Cwmbran	Dumfries
Maindy Lane, Cardiff	Stevenston
Liverpool	

BAKERIES TO BE BOUGHT BY RHM

Nottingham	Greenford
Leicester	Croydon
Barnstaple	Eastleigh
Oxford	

BAKERIES TO BE BOUGHT BY ABF

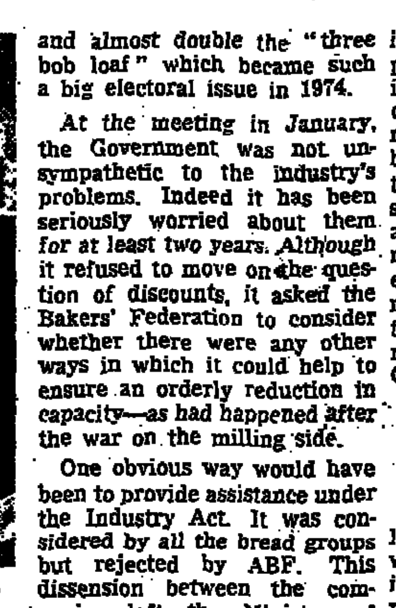
Cambridge	Bradford
Northampton	Norwich
Swansea	Wombourne

The over-capacity problem has also to be seen in the context of the long history of government intervention and the lack of sufficient investment in the industry. (Some bakers would say the two are not unconnected). There have been few years since the war when the price of bread—that most politically sensitive of food products—has not been controlled in some way. This was bad enough for all the big bakers but, given the way the last set of rules worked, it was worse for Spillers. In effect, its prices were kept down to the level which ABF could justify under the Price Code. As a more profitable company ABF could justify far smaller increases than Spillers needed to break even.

Beyond the problems created by the price controls was ABF's attitude towards pricing, which made Spillers' demise (in baking) almost inevitable. ABF has not always implemented as large an increase as it was entitled to under the price controls because it believed that to do so would only lead to an escalation in the discount war, and that this in turn could lead to reduced distribution for bread and so to less consumption.

The fact that ABF was more profitable than its competitors was party due to the amount of money it has invested in the business. It has ploughed back some £62m. in new plant over the past five years. This compares with about £40m. by RHM and about £20m. by Spillers.

But in to-day's trading conditions, even ABF is not making any money out of bread though like all three groups, including Spillers, it does make good profits from milling the flour which goes into bread. At the moment ABF is losing between £40,000-£50,000 a week on bread.



Mr. Michael Vernon, chairman of Spillers . . . until yesterday Britain's third largest bread producer, with 16 per cent. of the market, but with losses last year of £9m.

Such losses are dwarfed almost into insignificance by the scale of Spillers' problems.

For the year ended January 28, Spillers lost £9m. on bread—around three times as much as in the previous year. The company had not been helped by last year's prolonged bread strike, which cost it over £3m., but even if industrial relations had been entirely trouble-free this year — and with the discount issue still burning, there was a real possibility of further disruption this year—there was little hope of reducing the losses to an acceptable level.

To have had any chance of breaking even, the company would have needed a 5p rise last week intsead of the 2p implemented by all the companies. But that would probably have depressed demand further, and led to increased pressure for larger discounts. As it is, a standard loaf now costs 28½p—just under 6 shillings in old currency and almost double the "three bob loaf" which became such a big electoral issue in 1974.

At the meeting in January, the Government was not unsympathetic to the industry's problems. Indeed it has been seriously worried about them for at least two years. Although it refused to move on the question of discounts, it asked the Bakers' Federation to consider whether there were any other ways in which it could help to ensure an orderly reduction in capacity—as had happened after the war on the milling side.

One obvious way would have been to provide assistance under the Industry Act. It was considered by all the bread groups but rejected by ABF. This dissension between the companies left the Ministry of Agriculture without many options and Spillers with even fewer.

By this time Spillers had done its sums for the year and knew that it had to act fast. Its projected losses for 1978 were said to have been alarming and it began to discuss the idea of a deal with RHM. Later ABF was brought into the discussions and the result was the package announced yesterday.

A total of 23 bakeries will close — Spillers' share of the market was 16 per cent.—making 7,986 people redundant. The £16m. cost of these redundancies will be offset by £15.5m. which Spillers is raising from selling seven plants to RHM and six to ABF at asset value. Spillers will sell some flour to ABF and RHM but even so it may have to reduce its milling capacity slightly.

The deal will mean a reduction of about 10 per cent. in national bread capacity and a loss of more than 5 per cent. of the jobs in the industry. Drastic as this may be, it seems unlikely to solve entirely the problem of over-capacity. According to one estimate, this is now running at around 20 per cent., though it is almost impossible to match supply and demand for bread. But the alternative was that all the Spillers bakeries should be closed and this would have resulted in a shortage of bread in some areas as well as almost twice as many redundancies. Neither were eventualities which the Government could afford. So it let the deal go through without reference to the Monopolies Commission.

Resist

The Government is hardly likely to get off easily. MPs were protesting last night while in the longer term there is a possibility that the average price of bread will rise as a result of the deal. With less over-capacity, the two remaining groups, which already account for just over half Britain's bread sales, will be in a stronger position to resist the pressure for higher discounts from the retail trade. Both groups need to make more money on bread if they are to get a return on their new investments.

Thus the brakes may be put on the kind of arrangement which allows some supermarkets to cut the price of a standard loaf to well under 25p. Against this, however, any easing in the price war might mean that the bakers would not need to increase their basic prices so often. And there are thousands of small shops in the country which do not receive large discounts and which charge the basic price.

For once, however, the discussions between the bakers and the Government have not concerned prices. The question at issue over the last few weeks has been quite simply how to maintain bread supplies in Britain.

Weekend Brief

All torque

The adoption of electric cars is "inevitable" said a new Government-sponsored report last week. But if the British public were to take the conclusion seriously, it would cause a few raised eyebrows in the car dealerships. Stocks are probably nil at the moment, and there is only one British company, ElecTraction, which is making any noise at all about its ability to make a competitive road-going electric car.

ElecTraction showed one of its open-topped cars, designed specifically for leisure use and overseas markets, at the Motorfair show in London last Autumn. The car has a range of not much more than 60 miles, a price of £3,500, and a top speed of only 30 mph, yet Roy Haynes, its designer, claims the company could sell 25,000 in Britain to-day if it had the production facilities. The problem at the moment is that it can't make them. Since it was formed two years ago, ElecTraction has put together just 14 vehicles, and is now searching for a manufacturer with the facilities and financial muscle to begin producing in bulk.

Until someone, somewhere, begins to put up money to test the market, no one will know whether claims such as Haynes makes are in any way accurate. Some experts believe that the electric vehicle will never get any acceptance at all: they deride the whole idea of converting fuel into energy, storing it in batteries, and then reconverting it, as inherently wasteful. Others, like the study group which reported last week, believe that only vehicles which can use the power sources of the 21st century—basically coal, nuclear and natural energy—will have a future.

PUrecious few funds have gone into proving the case either way so far. The big motor companies have a vested interest in the internal combustion engine (so do many thousands of employees) and have plenty o fother problems on their plate right now in any case. Battery companies are working steadily on new batteries. But apart from a Government-backed electric car project in Japan, only modest amounts of public money have been committed. Haynes, a former Ford and Leyland stylist (he werked on the Marina) believes that there is a great need to put adequate resources behind the development of new components and new kinds of vehicles to put them in.

Up to now, most of what money has been made available has gone into buses and commercial vehicles. Even the critics concede that these are suitable areas for experiment. The daily working range of many of these vehicles falls within the 40 miles or so range of the current batteries, while the relative simplicity of the electric vehicle seems to hold out hopes of cheaper maintenance. The British Government has recently sponsired a long-term test of these kind of vehicles in London on a project which involves Lucas, Chloride, Vauxhall, Chrysler and Crompton, the milk float manufacturer.

By the time this experiment is ended, in 1981, the industry may well be moving ahead under the momentum of a new battery. Some reports suggested that the sodium sulphur battery, which will increase the range of the present lead acid unit by four to five times, and remain very cheap, is only months away. Others, of course, believe that it will never see the light of day as a commercial proposition. And some argue that the battery issue is irrelevant at the present time. Elecric vehicles are coming, hey say, like it or not, and what we should be doing as a nation is seeing how to adapt to them—rather than pouring another £850m. of public funds into British Leyland.

Terry Kirk

Roy Haynes of ElecTraction: a call for cash

Euro chats

Strasbourg and its mayor, the redoubtable M. Pierre Pflimlin, are already preparing for the next stage of the running battle for the permanent siting of the European Parliament which brings prestige—and trade—to the City.

Air France has been persuaded to counter one of the more telling arguments against Strasbourg and in favour of its rivals, Brussels and Luxembourg, itse mediocre communications with some capitals of the Nine, including London. A much larger 60-seater Fokker F-28 has been put on the route and there will now be two flights each way daily between London and Strasbourg with a brief stop-over at Lille.

The crucial factor was a promise from the French Government—as anxious as M. Pflimlin to keep the Parliament on French soil—to pay two-thirds of the route's estimated deficit of £150,000 a year, with the city of Strasbourg paying the remaining third.

A group of British Parliamentarians was flown out to Strasbourg this week to test the benefits of the better communications and to sample the renowned hospitality of the mayor, who has been considerably more successful in promoting Strasbourg than he was in keeping alive the Fourth Republic.

He was the last Prime Minister before Gen. de Gaulle assumed power 1958.

Strasbourg has a head start in its fight with Brussels and Luxembourg because of the new Council of Europe building opened by President Giscard in January last year. It is now the only building in the three capitals with a Chamber large enough to accommodate the 410 members of the European Parliament due to be directly elected around June next year.

For the time being, the Parliament is usin gthe lush facilities of the Council of Europe for six months a year, alternating with Luxembourg but at a very high cost. Six monthly sessions lasting less than five days, the rent is more than £300,000 and as the Parliament's Secretariat is based in Luxembourg all files and staff have to be transported. To many members and certainly to Community officials, the most logical step would be to transfer the Parliament to Brussels so that directly elected politicians could be near the Council of Ministers and the bureaucrats of the Commission. But this solution takes no account of the intense nationalistic feelings still evident in the Community.

The crunch could come if the applications for membership from Spain, Portugal and Greece are successful. Then yet another new building would have to be designed to accommodate a 12-member European Community. That could be the moment that Strasbourg's rivals have been waiting for. M. Pflimlin has many more battles ahead before the war is won.

Taxing tasks

Listeners next Tuesday to the first ever broadcast of a Budget speech can be thankful that the days of long orations are now over—at least outside the more dour religious sects and Fidel Castro's Cuba. Indeed, Mr. Healey's Budget speeches have, rather surprisingly for someone of his loquaciousness, been noted for their brevity.

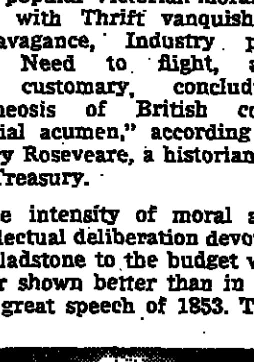
Last year, Mr. Healey spoke for just 85 minutes, and the latest indications are that his statement on Tuesday will not be much longer than an hour and a quarter. There are likely to be few, if any, significant concessions in the style of the speech to the existence of the wider audience outside the Commons. The general economic background will be sketched broadly first, leaving the detailed tax changes till last.

Mr. Healey's relative brevity could be due partly to mere familiarity, since Tuesday's budget will be his 13th major economic statement in just over four years. Indeed he will soon become the longest-serving Chancellor since Lloyd George.

The shortness of Mr. Healey's speeches is, of course, in contrast to the nineteenth-century tradition as established by Gladstone who was effectively the inventor of the budget speech as a major annual occasion—as of so much else in Britain's financial and expenditure system.

"The Gladstonian budget was the rehearsal of that great and most popular Victorian morality play, with Thrift vanquishing Extravagance, Industry putting Need to flight, and the customary, concluding apotheosis of British commercial acumen," according to Henry Roseveare, a historian of the Treasury.

The intensity of moral and intellectual deliberation devoted by Gladstone to the budget was never shown better than in his first great speech of 1853. This was the occasion when he proposed the gradual phasing out of income tax, then 7d in the pound, over the following seven years—presumably the ideal John Pardoe has in mind in his proposals. The Crimean War stopped this goal being achieved.



Gladstone: Thank God

Gladstone worked on this and other proposals almost entirely on his own, and presented them to the Cabinet in a three-hour speech. This was a mere preliminary to a four and three-quarter hour oration in the Commons—generally regarded as one of the great Parliamentary performances of the century. Gladstone noted in his diary, "my strength held out, Thank God."

Pin money

THE PINBALL machine, denizen of the sleazy amusement arcade and one-time money-spinner for organised crime is going "legitimate" in the U.S.

Sales are booming all over the country as pintables, updated with solid state electronics, appear in places where they have never been seen before. The three main manufacturers, all Chicago-based, report sales topping £50m. in 1977, of which some £15m. worth are exported to Britain (their biggest customer), Europe and Japan. And the graph is going steeply upwards at 30 per cent. a year.

Bally Manufacturing Corporation, the market leader, is currently making about 60,000 pinball machines a year, worth more than £30m. Last year its share price tripled in value from just over £5 to £15.

Reputedly growing out of the bagatelles game referred to in Pickwick Papers, the pinball machine quickly fell into disrepute.

Yet the pintable is now not only taking on an aura of establishment respectability, but is developing into the hottest commercial property in home entertainment. It is both played and purchased (at up to £900 a time) by academics, professional people, show folks, brokers and bankers.

It was the introduction of mechanical "flippers" that first introduced an element of skill into wha thad previously been a soporifically-boring exercise. Now it is solid state electronics which has motivated the latest upsurge.

It is this development which has fostered the interest of the intelligentsia in the game. With it, both types of game and even individual tables can be produced with differences in response as subtle and diverse as English cricket pitches.

Contributors:
Terry Dodsworth, Richard Evans, Peter Riddell and John Leach

Economic Diary

TO-DAY—Second day of European Council summit in Copenhagen. Mrs. Margaret Thatcher addresses Conservative Central Council meeting, Leicester.

SUNDAY—Conservative Students' Conference opens, Loughborough University.

MONDAY — European Central Bankers begin two-day meeting in Basle. House of Commons debates National Enterprise Board (Financial Limit) Order and motion on Financial Assistance to British Leyland. Dr. David Owen, Foreign Secretary, at Garscadden by-election meeting, Glasgow. Dr. Kurt Waldheim, United Nations Secretary-General, begins visit to Irish Republic. Nominations close for Lambeth Central by-election. British Rail cuts buffet prices. European Parliament session opens, Luxembourg. Two-day Financial Times conference on Business and the European Community Directives opens, Grosvenor House, W.1. Wholesale price index (March-prov.). CBI Monthly Trends Inquiry (March).

TUESDAY—Chancellor's Budget speech with live broadcast on radio. Mr. William Whitelaw addresses Federation of Conservative Students' Conference, Loughborough University. Sir John Methven, CBI director-general, at Belgian Chamber of Commerce in Great Britain luncheon, 6, Belgrave Square, S.W.1. Vehicle production (March-prov.).

WEDNESDAY — TUC economic committee meets. Rail pay talks resume. Prime Minister opens National Federation of Women's Institutes energy conference, Central Hall, Westminster. Central Government financial transactions (including borrowing requirement) (March).

THURSDAY—Garscadden by-election. National Union of Mineworkers executive meets. Prime Minister begins two-day visit to Yorkshire. U.K. banks' assets and liabilities and the money stock (mid-March). London dollar and sterling certificates of deposit (mid-March). Commonwealth Ministers meet to discuss Common Fund to stabilise commodity prices.

FRIDAY—Balance of payments current account and overseas trade figures (March). Index of industrial production (February-prov.). Building Societies' receipts and loans (March). Retail prices index (March). Usable steel production (March). British Leyland extraordinary meeting to increase share capital.

11·8% P.A. PAID QUARTERLY

The new Schlesinger Preference & Gilt Trust is invested entirely in fixed interest securities which offer the benefit of a high predictable income and are likely to have less risk and be less volatile than equities.

High income–low volatility

By investing only in preference shares and British Government Securities (Gilts), the managers are able to obtain higher levels of income than could be expected from a managed portfolio of equities. Whilst equities would provide greater opportunities for growth than fixed interest stocks, the latter are likely to be less volatile (indeed, the defensiveness of the fund has already been indicated by the stability of the unit price in the recent difficult market conditions). The proportion in preference shares and Gilts will be varied at the managers' discretion.

Schlesingers also expect a useful degree of capital appreciation from this trust, as long-term interest rates continue to fall.

Because dealing costs are lower for fixed interest investments, and the initial charge on this fund is only 3¼%, the dealing spread is attractively low.

Investment in Gilts

Under current legislation, most interest received in an authorised unit trust from gilt-edged securities is subject to corporation tax which is disadvantageous to unitholders when compared with direct investment in such securities.

For this reason initially some 80% of the fund will be invested in preference shares, and 20% in Gilts at which level Schlesingers estimate any disadvantage will be minimal. Should the legislation be changed, the fund will be invested entirely in Gilts (see General Information). Your investment should be regarded as long-term.

Remember that the price of units and the income from them may go down as well as up.

Schlesingers' PIMS service

Investors of £2,500 or more will receive the Schlesinger Personal Investment Management Service (PIMS) which includes regular investment reports and invitations to meet the investment managers.

Planned income payments

In order to help investors plan their income, the distributions will be paid quarterly on the 30th of April, July, October and January, starting July 1978. The table shows the approximate level of income (net of 34% basic rate tax) we estimate you would receive every three months. This equates to a gross yield of 11.84% at current tax rates and based on the fixed offer price of 25.3p.

Initial investment	Annual gross income	Your net cheque every 3 months
£5000	£592	£97
£2500	£296	£48
£1000	£118	£19
£500	£59	£9

The distribution dates have been carefully selected to complement those of the all-equity Schlesinger Extra Income Trust. By investing equally between these two funds, shareholders can obtain eight evenly-spaced and approximately equal distributions per annum.

A fixed price offer

Units are on offer at the fixed price of 25.3p (estimated gross yield 11.84%) for investments received by April 19. The offer will close before April 19 if the actual offer price varies by more than 2½% from the fixed price. In this event units will be available at the price then ruling.

General Information

[illegible]

Schlesingers-specialists in the management of private, institutional and pension funds.

To: Schlesinger Trust Managers Ltd., 140 South Street, Dorking, Surrey.
Weekend and Evening Ansaphone Tel. Dorking (0306) 86441

I wish to invest (minimum £500) £

in the Schlesinger Preference and Gilt Trust at the fixed price of 25.3p.

I wish to have my dividends re-invested

I would like further information, including details of Share Exchange scheme

A cheque is enclosed in remittance, made payable to Midland Bank Limited.

I declare that I am not resident outside the Scheduled Territories and that I am not acquiring the units as a nominee of any person resident outside the Territories. (If you are unable to make this declaration, it should be deleted and this application form should then be lodged through your U.K. bank, stockbroker or solicitor.) Minors cannot be registered, but accounts designated with their initials will be accepted.

Surname ______ (BLOCK LETTERS PLEASE)
First names ______ (In full)
Address ______
______ Date ______
Signature ______
(In the case of a joint application all must sign.) FT8/4

Schlesinger Preference & Gilt Trust

COMPANY NEWS + COMMENT

More NEB help for Cambridge Instrument

BY MARGARET REID

THE STATE-owned National Enterprise Board is to step up its holding in the voting capital of Cambridge Instrument—which has already received some £7.5m. of public funds—to around 80 per cent., following an increased pre-tax loss of £2.94m. by the company in the year to June 30, 1977, compared with one of £1.85m. in the preceding 15 months.

However, the net result of the further capital reconstruction now proposed at Cambridge, an unquoted company, is that no fresh money will be put in by the NEB, whose proposed increased equity stake is designed to buttress the instrument concern's position and allow it to raise an additional £1m. of bank credit, on top of present bank borrowings of some £3.9m.

A preliminary statement about the planned revamping at Cambridge was made yesterday, with the announcement of the company's 1976-77 results, which were hit by delays in launching the new S.150 scanning electron microscope.

The NEB is to subscribe for 325m. new Ordinary 1p shares in Cambridge at par, but the £3.25m. involved will be used to repay the NEB's £2.25m. secured loan 1981-85 and its £1m. unsecured subordinated loan 1986-90. The deal—if blessed in a vote by shareholders in which the NEB will not participate but in which Cambridge shareholders with 21.5 per cent. of the Ordinary shares will vote favourably—will mean the NEB's holding in the company's voting rights will rise from some 46 per cent. to 79.5 per cent. The State-owned Board also holds 50m. restricted voting shares in Cambridge which, if converted, would raise this voting stake to 81.3 per cent. The additional bank facilities of £1m. will be made available when the deal is approved.

Dr. Michael Cole, who in the past year has been sole chairman and chief executive of Cambridge, which was formed in 1975 with £4½m. of Government backing from a merger between Metals Research and SMI, an offshoot of George Kent, says sales in the first seven months of the current year are substantially higher than for the same period of last year. (In the whole of 1976-77 they were £17.5m., compared with £15.4m. in the preceding 15 months.)

He adds that, while it would be wrong to underestimate the difficulties ahead, the group now has the right management structure, a good product portfolio and the technology to generate products for profitable growth in future.

It is believed that a further loss, though a reduced one, is likely in the current year to June 30, 1978. An NEB spokesman said yesterday: "The company has a very strong order book and the NEB believes that it's not beyond the company's capacity to secure for itself a viable future."

The capital agreement provides that if Cambridge swings back into profit and can chalk up a 20 per cent. return on capital, before interest and tax, in two consecutive years between 1981-85, then, if the company's shares are floated on the Stock Exchange, the NEB's holding will be cut back to 50 per cent., provided there is agreement on the price of the shares.

Midterm rise at Ellis & McHardy

On sales of £6.11m. against £4.36m. pre-tax profits of Ellis and McHardy, solid fuel distribution group, rose from £117,269 to £147,821 for the six months to January 31, 1978 after depreciation of £48,644 compared with £44,131, and minorities. Profit for the full 1976-77 year was a record £235,075 and as known the dividend payment was up from 2.4385p to 2.7235p net.

Six months earnings per 25p share are shown as 6.42p (4.69p) after tax of £76,867 (£60,980), which left a net profit of £70,954 (£56,289).

Second half fall at Catalin

INCLUDING £56,821 on final settlement of a consequential loss insurance claim, pre-tax profits of Catalin, which manufactures industrial resins and resin treated papers, was lower at £212,919 for 1977 compared with £232,523 after a rise from £74,000 to £102,000 in the first half.

Group turnover was also lower at £5.78m. (£5.96m.). The net sum remaining after tax of £113,754 (£127,472) and minority interest £12,121 (loss £278) was £87,044 (£105,329).

Following the acquisition of Resinfilms, and with more encouraging prospects for 1978, the directors recommend a final dividend of 2.2125p per 25p share net making 2.8617p (1976 2.6825p) for the year. Dividends absorb £48,059 (£43,027) leaving £38,985 (£62,302) to be added to reserves. Stated earnings per share were 5.4p (6.6p).

In addition, a revaluation of the company's freehold properties has been incorporated in the accounts and the surplus arising of £520,000 has been taken direct

Provincial Laundries

Provincial Laundries achieved a £9,388 profit in the second half of 1977 reducing the overall loss to £3?,800, against an £8,469 profit previously.

Directors expect the return to profitability to continue in 1978. They are confident that the steps taken to rationalise the company's operations and to expand its business provide the company with a new opportunity for future growth.

Turnover for the year was £888,722 (£864,878) and the result is before a tax credit of £8,378 (£8,062 debit) and extraordinary credits of £36,057 (£6,115).

A final dividend of 0.2354p net per 5p share takes the total to 0.3954p (0.357p).

Peak £0.7m. by Sharna Ware

ON TURNOVER ahead from £10.88m. to £12.98m., pre-tax profits of Sharna Ware, the plastic ware, etc. manufacturing group, jumped from £307,046 to a record £700,878 for 1977.

At halfway, when profits stood at £84,567 against £69,814, the directors said that sales continued to show a satisfactory increase and prospects for the year were encouraging.

After tax of £370,910 (£226,898) full year earnings are shown to be up from 14.16p to 16.68p net per 20p share and the dividend total is raised from 2.145p to the maximum permitted 2.3958p net with a final of 1.4058p.

Mr. Sydney Orchant, the chairman, and two joint managing directors have waived the final dividend on shares held beneficially.

Turnover increased in all subsidiaries of the group. Manufacturing sales were up from £3.23m. to £3.52m. and the wholesale division rose from £7.65m. to £9.46m.

The group cash flow position continues to be strong with yet another increase in the net liquid balances at the year end.

The directors are continuously seeking to acquire companies which would expand the present activities and at the same time are planning to develop new products and modernise the manufacturing plant.

Mr. Orchant says his confidence in the group has been fully justified and he again anticipates another record year for 1978.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Amax Inc.	43.75§	June 1	43.75	—	175
Catalin	2.21	—	2.1	2.86	2.68
Dixor	0.25‡	May 22	0.6	0.25	0.6
Goode Durrant	0.13	June 2	0.79	0.13	0.79
Walter Lawrence ......int.	2.25	June 1	2.25	—	6.5
Sharna Ware	1.41	—	1.17	2.4	2.15
Winn Industries	1.61	June 16	1.46	2.8	2.5

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ For 9 months. § U.S. cents.

Winn Industries at a best-ever £1.31m.

TURNOVER for 1977 of Winn Industries rose from £18.62m. to £19.23m. and pre-tax profits advanced from £1.14m. to £1.31m. after £0.52m., against £0.45m., for the first half.

Full-year earnings are given as 8p (6.1p) per 20p share and the dividend total is lifted from 2.5025p to 2.7951p net with a final of 1.6071p.

	1977 £000	1976 £000
Turnover	19,237	18,621
Pre-tax profit	1,312	1,137
Tax	452	504
Minorities	1	4
Extraordinary debits	48	9
Retained	454	338

In his annual statement Mr. C. A. Kyme, the chairman, says the directors look forward with confidence to the future and the expansion of the group and its profits. There will be increasing competition both at home and abroad but he is certain that the group can capture major parts of the markets open to it.

Meeting, Dorchester Hotel, W., on May 16 at 11 a.m.

● comment

Winn Industries has undertaken some dramatic rationalisation during the past 18 months. New management took the decision two years ago that many of its 28 subsidiaries were too small to fit in. A total of £1m. of assets was sold-off last year so the latest figures, showing profits growth of 15 per cent. pre-tax on sales marginally higher by 3 per cent., are not all that meaningful. Unadjusted figures show trading profits from engineering at £1.12m. (£0.83m.) and building profits at £0.59m. (£0.75m.). For companies still within the group the pattern was verw much the same with engineering operations making up the shortfall from the building subsidiaries. Meantime the balance sheet shows a £1m. turnround in short-term debt to a cash surplus of £0.4m. Since the year-end Bainbridge has been bought and a couple of other purchases are in the pipe-line, so the cash surplus is unlikely to be around for long. Bainbridge will not chip in much in the way of profits this year while engineering export margins could come under pressure. At 46p the p/e of 5.6 and yield of 9.4 per cent. is a fair enough rating until shareholders can see how the slimmed down group is faring and where its new purchases are taking it.

Walter Lawrence downturn

REFLECTING THE continuing recession in the construction industry and the attendant squeeze on margins, Walter Lawrence reports pre-tax profits down from £585,000 to £528,000 for the first half year to December 31, 1977, on turnover up by nearly £5m. to £17.74m. All other activities, the directors say, made satisfactory progress, however.

Results for the second half should not be unsatisfactory, they add: the group is currently developing several properties which are now nearing completion and they should provide a valuable contribution to profits.

The group continues actively to seek further suitable sites for development, and Latham and Owen, where performance is in line with expectations, will also be making a full contribution.

Interest of £59,000 (nil) on external finance specifically provided for industrial developments, has been added to the cost of these developments, directors state.

Earnings per 25p share are shown to be down from 6.3p to 4.7p and the interim dividend is maintained at 2.25p net—last year's final was 4.25p paid from record profits of £1.34m.

Net profit came out at £214,000 (£275,000) after tax of £314,000 against £310,000; minorities took £25,000 (£24,000) and there was an extraordinary credit for the period of £135,000 (nil).

Lawrence is an industrial holding company engaged in building and property development, plant hire, timber products and engineering.

	Half Year 1977 £000	1976 £000
Turnover	17,740	12,965
Profit before tax	528	585
Tax	314	310
Net profit	214	275
Minorities	25	24
Earnings	189	251
Extraord. credit	135	—
Making	324	251
Dividend	90	90

Expansion for Straits Steamship

Following considerably improved second half earnings from its coastal shipping services and oil-field supply sector, taxable profit of Straits Steamship Company, a subsidiary of Ocean Transport and Trading, rose by 35 per cent. from S$9.04m. to a record S$12.22m. for 1977.

The result was achieved despite an exceptional provision for the write-down of a residential property development and the large loss incurred by the group's major new acquisition, Ben and Co.

A dividend of 21 per cent. out of tax exempt shipping profits is to be paid, equal to 35 per cent. (34 per cent.) gross. A one-for-four scrip issue is proposed and the directors anticipate that the present dividend rate will be maintained on the increased capital.

Principally because of the inclusion of Ben and Co. for the first time, sales advanced 85 per cent. to $160.6m. Operating profit was up 60 per cent. to $16.25m. reflecting a good performance in the group's traditional activities, particularly shipping.

But, after tax and extraordinary items, attributable profit fell from $12.08m. to $8.73m. due to provisions required in Ben for legal claims, extraordinary losses in respect of Ben's associates and for the minority holders portion of a subsidiary loss in excess of equity.

Although a further exchange gain was realised on Sterling Debenture stock redeemed, it was much smaller than the gain of $3m. in 1976.

CENTREWAY

Centreway's London brokers have placed, on its behalf, £250,000 11 per cent. (net) Cumulative Preference £1 shares at £1.0425 per share.

Such shares will rank pari passu in all respects with the existing issued shares of that class.

Family Investment sees increase

Mr. W. H. Conroy, the chairman of Family Investment Trust, says in his annual statement that he believes that further significant upward progress in asset values will be more difficult to achieve in the current year, but income should again increase.

As known, pre-tax revenue for the year to January 31, 1978, rose from £215,735 to £268,282, and the chairman says that the policy of investing in smaller companies, the principle on which the Trust is based, continues to be amply justified by the results.

He adds that the directors' estimates of revenue for the current year are such that they recommend a comparatively full distribution of last year's earnings and increased the dividend from 3.15p to 3.85p net per 25p share.

At the year end there was a decrease in liquidity of £297,000 against an increase of £53,000.

Meeting, 20, Fenchurch Street, E.C., May 2 at 2.30 p.m.

PROVINCIAL LIFE BONUS

Provincial Life, which commenced issuing with profit life assurance contracts in 1975, has declared its first full reversionary bonus for the three years ended December 31, 1977. The rate is £4 per cent. per annum compound, but since it is the first declaration it will be based on the sum assured only, there being no bonuses attaching. The company has been paying interim bonus rates on death claims of £3.50 per cent. for 1975 and £3.75 per cent. per annum in 1976 and 1977.

The company has also introduced a terminal bonus, payable on death or maturity claims. The rate is fixed at 10 per cent. of attaching bonuses.

£0.2m. profit by L. C. Edwards

AFTER A first-half turnround from a pre-tax loss of £215,779 to profits of £115,249, Louis C. Edwards and Sons (Manchester) finished 1977 with a surplus of £206,640 compared with a deficit of £144,476. Turnover was £20.01m. against £20.09m.

After a tax charge of £97,506 (£74,766 credit) earnings are shown at 1.28p (loss 0.82p) per 5p share. Once again there is no dividend. The last payment was 0.7p net for 1973.

The directors state that reductions occasioned by the policy of closing unprofitable units was compensated by improved sales in the other units and operations.

Mills & Allen success

The arrangements by Mills and Allen International, whereby its small shareholders could dispose of their holdings through the stock market without deduction of broking costs have been well received.

Approximately 41 per cent. of the holders of small numbers of Ordinary and Preference shares and Warrants (an aggregate total of 4,954 holders) have taken advantage of the arrangement.

As a result, 43,921 Ordinary, 57,050 Redeemable Cumulative Preference shares and 42,804 Warrants to subscribe for Ordinary shares were sold on the market on March 31, 1978 at 168p, 74p and 19p respectively.

£4.64m. deficit for Goode Durrant & Murray

BY VALUING undeveloped sites in its publicly quoted building subsidiary, Rawlings Bros., at lower of cost and open market value and so incurring a pre-tax loss in Rawlings of £4,636,000, Goode, Durrant and Murray Group incurred a £4,639,000 loss for the year to October 31, 1978, compared with a profit of £457,000 last year, despite the profitable operation of its own overseas activities. But shareholders do get a dividend of 0.125p per 5p share against last year's 0.7875p.

The Board also discloses that advances by the group to Rawlings totalled £3.4m. But the drain has been stopped. "Rawlings' present working capital requirement is contained within its own resources, external facilities and the amount advanced by the company."

However, Rawlings' financial structure will need to be re-organised and details will be made available as soon as possible. In the meantime the Rawlings shares, suspended since September 9, are not being re-listed.

The Rawlings Board states: "If the land for development and work in progress on certain undeveloped sites had been valued at the cost including interest in certain cases which applied at November 1, 1976 the loss for the year before tax would have been lower by £3,685,000."

Goode Durrant and Murray Group (without Rawlings) broke even, with the overseas activities continuing to trade profitably. There is a net £23,000 tax charge (£569,000 last year) and after adjustments balances on reserve at October 31 stood at £6.914m. (£10.977m.).

Rawlings shows a turnover of £8.78m. (£9.23m.) and, after a transfer from deferred tax of £656,000 and other adjustments, a deficit for the year of £3.95m. (£171,000).

	1976-77 £000	1975-78 £000
Group turnover	74,323	72,212
Loss before tax	4,639	†457
Tax	23	369
Net loss	4,662	112
Minority loss	1,533	125
Extraord. debits	136	212
Leaving loss	3,275	349
Pref. dividends	17	17
Proposed ordinary	30	190
Deficit for the year	3,322	556

† Profit.

Extraordinary debits comprise the minority shareholders' proportion of losses borne by the group of £621,000 (nil), profit on sale of properties £45,000 (£13,000), profit on sale of investments £471,000 (nil), loss on surrender of insurance policy £31,000 (nil), fixed assets of overseas subsidiary written off nil (£117,000), loss on subsidiary's Swiss franc loan nil (£88,000), and stamp duty on increase in share capital of subsidiary nil (£20,000).

The auditors have indicated that their report will say that land for development which is owned by Rawlings Bros. is valued at the lower of cost and directors' valuation. In the operating circumstances they consider that for certain sites the appropriate basis of valuation continues to be the lower of cost and directors' valuation as defined in previous years.

The exceptional item of £3,685,000 has been calculated on the assumption that had the previous basis of valuation been used at October 31, 1977, all sites would have been valued at cost. In their opinion this would not have been the case.

They are unable to say whether the foregoing items had a material effect on the loss for the year, the overall valuation of land for development and the calculation of the exceptional item.

British Anzani

ON TURNOVER little changed at £9.97m. against £9.88m. British Anzani incurred an increased pre-tax loss of £1.49m. for the year to March 31, 1977 compared with £0.69m. last time. The loss was incurred after higher interest of £2.01m. (£1.39m.) and exceptional debits £179,563 (£299,117).

There was a tax credit of £315,670 (£301,551 debit) for the year and after minorities £10,581 (nil), pre-acquisition losses £89,580 (nil) and an extraordinary debit of £4.73m. (£562,447), loss for the year came out at £5.81m. against £1.55m. Loss per 5p share is shown as 4.11p (3.79p) and again there is no dividend—the last payment being a 0.1458p net interim for 1973-74.

The group also reports results for the six months to September 30, 1977; pre-tax loss was reduced to £623,000 (£709,000), on turnover of £6.29m. against £4.69m., after interest £0.95m. (£1.34m.). There is no tax charge (same) and loss per share is shown as 2.383p (2.712p).

The directors say that the future of the group lies with the trading companies, and although it is estimated that they will have contributed lower profits for the year to March 31, 1978, they are confident that the future for all the companies within the trading group is now more hopeful than at any time during the past few years.

The Board intends to apply for a relisting of the shares at the earliest possible moment.

A pro-forma consolidated balance sheet of the group shows the effect on the group's borrowings of the settlement reached with Bankers Trust International and the sale at £9m. of property at Aylesford to the British Steel Corporation Pension Fund. Mr. Faull, the chairman, reports that "negotiations with the pension fund are currently in hand for the funding and realisation of a proposed new development of part of the company's remaining land at Aylesford as well as arrangements concerning further construction and disposals in the future."

In a move which will substantially strengthen the company's trading activities, British Anzani Construction has acquired Tractors Hire (Chiswick).

Meeting, Aylesford, on May 3 at 11 a.m.

Results due next week

Next week's Stock Exchange list contains two of the big names in construction materials, Ready Mixed Concrete and Associated Portland Cement, both of which are announcing full year profits. Similar results are being announced by Guardian Royal Exchange and Eagle Star, Rio Tinto Zinc, Rowntree Mackintosh and Glynwed, while Glaxo is due to declare first half results on Monday.

Since RTZ forecast at halfway that second half earnings would be lower unless metal markets improved, the market has accordingly trimmed its expectations of the full year's results due on Tuesday. In fact, with most metals down further in the fourth quarter and the stronger pound expected to reduce overseas earnings, RTZ is expected to report a decline in earnings from 32.3p in 1976 to about 31p against an initial estimate of 40p. The revised forecast reflects lower contributions from its three major copper mines—attributable profits from Bougainville, Palabora and Lornex have fallen from £20.7m. to £12.6m. This means that the traditionally less important sectors are to account for an unusually large percentage of total earnings. So RTZ may show better Canadian uranium profits, continued progress by aluminium and the influence of a higher gold price. On balance, net attributable profits may be down from £81.3m. in 1976 to just over £78m.

The final composite insurance company results for 1977 will be known when Guardian Royal Exchange and Eagle Star both report on Wednesday. The market has had to revise its forecasts downwards following the disappointing figures this week from Sun Alliance and Phoenix. Germany is the problem territory for GRE, which accounts for one-fifth of business. Here motor premiums are tightly controlled by the authorities and other business has been very competitive. U.K. motor and household results could be dull for the company. An underwriting loss is expected for 1977, compared with profits in the two previous years, and a pre-tax profit at about the 1976 level of £61m. Eagle Star is also expected to record an underwriting loss of about £7m., but buoyant investment income should push pre-tax profits up to £44m. from £38.0m.

Hambro Life, the only quoted linked life company, reports on Friday. New business was buoyant last year especially in the self-employed and executive pension fields. With a strong stock market and buoyant property values, profits should be well advanced. The interim dividend was 20 per cent. higher.

An improvement in the U.K. building materials industry in the 1977 second half is expected to influence the final figures of APCM, the world's largest cement company, and RMC, the leading U.K. producer of ready mixed concrete, due on Thursday. A 12 per cent. cement price increase from June 1977 should restore margins at APCM while higher home cement deliveries in the second half should combine to produce more buoyant domestic profits—around £22m. against £20.6m. in 1976. However, overseas operations, which account for over 55 per cent. of group pre-tax profits, could present mixed results and market estimates range from a flat £24m. to £28m. Thus APCM pre-tax profits could be between £46m. and £50m. against £45.4m. in 1976. At RMC, U.K. profits could be higher too in line with the industry trend and with its main overseas market, West Germany, expected to maintain levels, group pre-tax profits may rise from £22.9m. in 1976 to £28m.

Meanwhile, the upward trend in the first half has apparently continued in the second six months at Rowntree Mackintosh. After being up by a third at midway, analysts are expecting around £40m. for the full year when results are announced next Thursday, against £30.9m. last time. Volume sales have been expanding and Rowntree is likely to have gained some market share in the second half in the U.K. In addition, overseas trading and exports should have done well.

Glaxo has altered its accounting policy for the past three interim announcements, so Monday's first half results are difficult for analysts to forecast accurately. Notwithstanding, they see a spread of between £40m. to £45m., compared with £39.3m. last time, and a figure approaching £100m. (£87m.) for the full year. With exports and overseas subsidiaries accounting for about 80 per cent. of profits, the results are heavily dependent on the value of sterling. Bulk antibiotic prices are currently very weak but certain U.K. price rises have been approved. Also, two antiasthmatics are being launched in Europe while there should be a contribution from the U.S. acquisition, Meyer. There should also be some benefit from the winter influenza epidemic, which should have boosted drug sales.

Other announcements to note are full-year results from Associated Biscuit Manufacturers (Monday), Carpets International (Tuesday), Wilmot Breeden (Wednesday), Empire Stores (Wednesday), Dickenson Robinson Group (Thursday), Automotive Products (Thursday), with interims from Smiths Industries (Tuesday) and Kwik Save Discount Group (Friday).

Company	Announcement due	Dividend (p)* Last year Int.	Final	This year Int.
FINAL DIVIDENDS				
Alva Investment Trust	Thursday	2.438	2.789	2.805
Amalgamated Metal Corporation	Wednesday	5.00	0.137	5.0
Aquascutum and Associated Companies	Friday	—	1.336	0.346†
Associated Biscuit Manufacturers	Monday	1.257	1.481†	1.406
Associated Portland Cement Manufacturers	Thursday	2.59	5.774	2.89
Automotive Products	Thursday	—	1.929	1.0
Beauford Group	Thursday	0.95	2.04	1.0
Benford Concrete Machinery	Monday	0.477	1.149	0.546†
Bentalls	Thursday	—	1.057	—
Henry Boot and Sons	Wednesday	2.5	5.723	2.5
Bourne and Hollingsworth	Thursday	1.25	1.625	1.23
Bowthorpe Holdings	Thursday	0.672	0.791	0.75
Bristol Stadium	Friday	—	0.306	—
Brown Boveri Kent	Friday	—	0.76	—
Carpets International	Wednesday	2.275	3.233	1.65
Carron Co. (Holdings)	Thursday	1.542	2.042	1.542
Chamberlain Group	Monday	0.506	1.378	0.924
Christies International	Wednesday	1.0	1.932	1.07†
Clarke, Nickolls and Coombs	Thursday	0.798	0.958	0.906†
Horace Cory and Co.	Monday	0.2	0.393	0.348†
Crossley Building Products	Monday	2.0	2.134	2.0
Danish Bacon Company	Wednesday	2.8	3.146	3.127
J. J. Dewhirst Holdings	Monday	0.544	1.035	0.6
Dickinson Robinson Group	Thursday	2.32	3.93	2.552
Dreamland Electrical Appliances	Thursday	0.75	1.325	0.8
Eagle Star Insurance Company	Wednesday	2.75	2.735	3.042†
Empire Stores (Bradford)	Wednesday	1.53	1.8	2.22
John Finlan	Wednesday	Nil	Nil	Nil
James Fisher and Sons	Thursday	0.675	0.691	0.755
E. Fogarty and Co.	Wednesday	1.013	2.034	1.131
General and Commercial Invest. Trust	Thursday	1.75	3.1	2.0
Stanley Gibbons International	Thursday	1.3	1.44	1.5
Glynwed	Wednesday	2.45	4.975	2.45
Green's Economiser Group	Thursday	2.12	2.121	2.12
Guardian Royal Exchange Assurance	Wednesday	3.85	5.251	4.316†
Hambro Life Assurance	Friday	4.5	10.5	5.4
Howden-Stuart Plant	Monday	0.393	0.782	0.42†
Hunrleigh Group	Monday	1.05	1.06	1.17
S. Jerome and Sons (Holdings)	Thursday	0.457	2.278‡	0.563†
LEC Refrigeration	Thursday	0.856	1.467	0.956
London and Provincial Poster Group	Thursday	2.68	6.0	2.993
Lyon and Lyon	Tuesday	1.13	1.13	2.5
Albert Martin Holdings	Monday	1.0	1.815	1.5
Oil Exploration (Holdings)	Wednesday	—	1.387	—
Portals Holdings	Thursday	3.0	4.0	3.5

Company	Announcement due	Dividend (p)* Last year Int.	Final	This year Int.
Ready Mixed Concrete	Thursday	2.2	2.97	2.5
Rhodesian Corporation	Wednesday	—	0.358	—
Richardsons (Westgarth) and Co.	Wednesday	1.05	3.036	1.05
Rio Tinto-Zinc Corporation	Tuesday	3.18	4.52	3.5
Rowan and Boden	Wednesday	0.5	0.68	0.55
Rowntree Mackintosh	Thursday	2.5	4.813	2.73
Ruberoid	Thursday	0.7	1.341	0.7
Geo. G. Sandeman Sons and Co.	Thursday	1.0	1.31	1.0
Sanderson Kayser	Thursday	1.34	2.59	1.47
Senior Engineering Group	Tuesday	0.323	0.323	0.392†
William Sindall	Wednesday	—	3.696	—
C. W. Sparrow and Sons	Tuesday	0.772	1.136	0.862
Stag Furniture Holdings	Thursday	1.7	2.604	2.0
Taylor, Pallister and Co.	Thursday	0.921	3.132	1.5
Tharsis Sulphur and Copper Company	Wednesday	—	—	4.0
Tricentrol	Thursday	0.325	0.488	0.66
Triplevest	Monday	2.028	1.901	2.312
Websters Publications	Thursday	0.269	0.931	0.306§
Wilmot-Breedon (Holdings)	Wednesday	1.0	1.759	1.2
Arthur Wood and Son (Longport)	Wednesday	—	0.504	—
York Trailer Holdings	Thursday	0.737	1.182	1.089†
INTERIM DIVIDENDS				
Adwest Group	Thursday	2.5	5.248	
City of London Brewery and Invest. Tst.	Monday	0.6	0.6(a)	
Ferry Pickering Group	Wednesday	1.127	1.419	
Glaxo Holdings	Monday	4.0	6.21	
Hartle Machinery International	Friday	0.9	1.9¶	
Kalamazoo	Wednesday	0.835	1.111	
M. P. Kent	Friday	0.6	1.46	
Kwik Save Discount Group	Friday	0.75	1.455	
Smiths Industries	Tuesday	2.987	4.26	
Startrite Engineering Group	Wednesday	1.2	2.286	
FINAL FIGURES ONLY				
Edinburgh Investment Trust	Monday			
Silkolene Lubricants	Thursday			
INTERIM FIGURES ONLY				
Photo-Me International	Thursday			

* Dividends shown net, pence per share and adjusted for any intervening scrip issue. † Compensating dividend due to change in tax rate. ‡ Second interim in lieu of final. § Second interim of 0.536p already paid during this 15-month period. ¶ Includes second interim of 0.9p paid during this 18-month period. (a) Second interim. Third interim expected.

BIDS AND DEALS

Staflex moves to cut borrowings

Staflex International yesterday proposed to dispose of £2.3m. worth of assets in order to reduce short term borrowings. "Such a reduction is essential if Staflex is to look to the continuing support of its bankers in providing sufficient working capital" writes the chairman Mr. Irwin Bellow. A committee is being formed to liaise between the banks and the company and monitor the company's performance.

Mr. Bellows reports that losses announced in the interim statement have continued and the outturn for the year will show a "very severe trading loss." He refers to a slump in the fusible interlinings market where Staflex does most of its business.

The major disposal is to be of Bellow Machine to Pfaff Industriemaschinen GmbH for £1.4m. Pfaff is the major supplier to Bellow and has given notice that if its offer is not accepted, the distribution agreement between the two companies will be terminated. Bellow's profits are "highly dependent on its agreement with Pfaff."

Changes in the composition of the main Board will take place shortly but details were not announced yesterday.

Among the other belt-tightening moves made or proposed are the closure of the coating unit at Burnley, a "vigorous" stock reduction programme, the sale of Barnes (which processes and finishes interlinings and other materials) and the sale of a 30 per cent. interest in Matflex Industria e Comercio Ltda. The extraordinary meeting to vote on the proposals is to be held on April 26.

SHARE STAKES

Parambe—Non beneficial interests of J. A. Rowlatt have been reduced by 170,000 shares. G. D. Wreford-Brown now holds 26,400.

Turriff Corporation—Barclays Nominees (M and G Group) hold 407,000 shares (9.54 per cent.) as trustee for M and G Recovery Fund.

St. Kitts (London) Sugar Factory—Industrial Equity (Pacific) of Hong Kong bought 10,000 shares on April 3 brin[ging] holding to 36,500 (9.36 per ce[nt.])

Cakebread Robey—H. G. Groves now owns 118,000 sh[ares] in his own name and 10,00[0 in the] name of Gentlemen's Row In[vest]ment which is under his con[trol.]

John Menzies (Holdings)—[fol]lowing directors have sold 9[per] cent. cum Preference sh[ares] allotted in recent [rights] issue: C. B. Lascelles, [...] D. F. Ramsay, 3,330; A. [...] Stewart, 241,175; J. M. Men[zies] 116,170 trustee and 34,995 [per]sonal and trustee. All sol[d at] 103½p.

British Benzol Carbonising[—] and G. Recovery Fund Unit T[rust] holds 725,000 shares (7.68 [per] cent.).

HELICAL BAR

Helical Bar has received [an] approach that may lead to [an] offer for all the Ordinary sh[ares] and the 11 per cent. Conver[tible] Unsecured Loan Stock. A fur[ther] announcement is promised soon as practicable. The Ordi[nary] shares closed 8p higher at [...] last night suggesting a ma[rket] capitalisation of some £0.79m.

HANSON SALE

Hanson Trust has sold its [hold]ing of 332,500 Cosalt Ordi[nary] shares (5.08 per cent.).

They have been placed [by] Hedderwick Stirling Grun[...] with institutional investors.

NO PROBE

The Secretary of State [for] prices and Consumer Protec[tion] has decided not to refer [the] proposed merger between A[sso]ciated Biscuit Manufacturers [and] Salerno-Megowen Biscuit C[om]pany to the Monopolies [and] Mergers Commission.

AMAL. INDUSTRIA[LS]

Rowe Rudd and Co. annou[nce] that the offer to acquire 638,200 new 10.6 per cent. cu[m] Second Pref. shares of Am[alga]mated Industrials has [been] accepted by the holders of 30[...] shares (47.35 per cent. of total issued).

The offer has now closed.

Porvair agreement with Chloride subsidiary

Following the reduction in scale of its manufacturing operations, Porvair has entered into an agreement with Chloride Lorival, a subsidiary of Chloride Group, which will provide the company with a valuable means of utilising surplus space and facilities.

In addition, this will create substantial potential revenue from the company's technology, the sale and licensing of which, to CLL will not in any way affect the company's current product lines, say the directors.

The agreement relates to the exploitation of certain of the company's technology, which the Board believes (but has not yet proved) can be applied by CLL in its production of plastic components.

It provides for Porvair to carry out development work on a pilot plant and to design and commission a semi-commercial plant which can later be extended to full commercial production.

As the development is still in an experimental stage, there are provisions for terminating the agreement if CLL does not proceed to full commercial production.

Accordingly, it is emphasised that the full benefits under the agreement will not accrue to the company unless the commercial viability of the process is proved to CLL's satisfaction and they proceed to full commercial production.

The costs incurred by Porvair on the pilot plant and the design and commissioning on the semi-commercial plant are reimbursable by CLL which pays an administration, handling and disturbance charge.

The provisions in the ag[ree]ment include that Porvair [will] sell and license to CLL rele[vant] technology and patents; a l[ease] will be granted to CLL of [part] of the company's premises [at] King's Lynn at a suitable [rent] and that the company will pro[vide] to CLL a solvent recovery [ser]vice and certain other serv[ices] (such as steam, water and e[lec]tricity) on agreed paym[ent] terms.

The Board believes that [the] arrangements are beneficial [to] the company and strongly rec[om]mends shareholders to vote [in] favour of the resolution at [the] EGM on April 27.

Inmont (U.K.), which h[olds] some 80 per cent. of the Por[vair] equity, is in favour of the ag[ree]ment and will exercise all of [its] votes in favour of the resolu[tion.]

UTD. SCIENTIFIC

United Scientific has comple[ted] the purchase of Fidelity Ins[tru]ment Company of Mitch[am,] Surrey, for £163,000, including freehold site in Mitcham.

Fidelity manufactures figh[ting] vehicle periscopes, mountings accessories and has also de[ve]loped a range of passive ni[ght] vision periscopes for use [on] military vehicles.

It has been purchased [to] become a division of Helio Mi[...] Company, one of the exist[ing] members of the USH group.

United Scientific states that [the] company is profitable but it [is] not anticipated that it [will] produce any significant change [to] the USH group profits.

UNIT TRUSTS

Smaller companies for faster growth

Just ahead of the budget plenty of people are, it seems, betting on the Chancellor doing something to assist small companies. It looks a safe enough bet: but whether it will assist the sort of companies in which the three smaller companies funds on offer this week are invested remains to be seen.

One of them, the Arbuthnot Smaller Companies Fund, is new into the field, though not itself a new fund: its portfolio has recently been revamped and its name changed to reflect a conviction within the Arbuthnot camp that this is where long-term capital growth is to be obtained, and that with their particular experience in the field, they ought to be able to secure it.

The other two, Piccadilly Small Companies and M and G Special, both have longer pedigrees—and really rather proud pedigrees: Piccadilly holds first place for capital growth over the past 12 months, and has comfortably outperformed the index in every year but 1974, while M and G's record has been more consistent still. The argument is, of course, that it is much easier to grow rapidly from a small base. Moreover, small companies tend to be controlled by their founders—particularly in the case of the sort of small companies into which Arbuthnot is putting its money: catering and leisure outfits, motor distributors and other service industries.

The only problem with a fund composed of such investments is that it does require rather more in the way of looking after than a blue-chip counterpart: there isn't the same ready access to information, or the same consensus of views. Arbuthnot reckons to get over this problem by enlisting the regional stockbrokers' assistance: and all three of these smaller companies funds tend to keep the number of shares within their portfolios low: Arbuthnot has a selection of 40 from investigation into 300, and M and G's portfolio is 70 companies strong.

Arbuthnot estimates its current gross yield at 5 per cent., but aiming for six: the minim[um] initial investment accepted [is] £500. The current estimated gr[oss] yield on M and G's Special Tr[ust] is 4.5 per cent., and investme[nt] can be made either by way of direct investment (minim[um] accepted, £500), or by way of unit-linked life assurance poli[cy] (minimum regular payment £1[...]) The yield on the Piccadilly fu[nd] is lower, but so is the minimu[m] amount accepted: £200.

For those looking for th[e] capital growth by other mea[ns] both Save and Prosper and Tynd[all] are recommending investment [in] America, the former with t[he] U.S. Growth Fund (minimum [in]vestment £250), and the latt[er] with London Wall Internation[al] Fund (minimum £500). Both arg[ue] that the economic facts justify [a] higher price for U.S. shares, a[nd] the U.S. therefore presents an e[x]cellent buying opportunity.

High income funds still rema[in] the bread and butter business [as] far as unit trust sales are co[n]cerned, providing a steady strea[m] of new sales to investors seeki[ng] income and stable capital growt[h.] Lawson is advertising the Laws[on] High Yield Fund, which aims [to] provide a high and increasing i[n]come.

A high immediate income is pr[o]vided by fixed-interest securitie[s] but income growth comes from i[n]vesting in equities. The Lawso[n] portfolio compromises by holdin[g] about 40 per cent. in preferenc[e] shares, to give a bedrock o[f] stability and a higher starting in[]come level, while the remainder i[s] in high yielding equities, fo[r] growth. The initial yield is 10.6 pe[r] cent. and the minimum investmen[t] is £600.

The Schlesinger Preference an[d] Gilt Trust invests entirely in fixe[d] interest securities to provide a predictable, safe and steady in[]come. The yield, at 11.8 per cent. is one of the highest available, but unless the managers are active in their switching activities, the chance of any significant income growth is small. The minimum investment is £500.

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SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

The Board of Scottish and Universal Investments on Thursday rejected by a single vote a take-over approach valuing the company at £41m. from Lonrho, the international trading company headed by Mr. Tiny Rowland. Lonrho already has a 29.24 per cent. holding in SUITs, and is bidding 11 of its own shares for every six SUITs' shares conditional on gaining acceptance of the SUITs Board. The Lonrho Board is considering the matter.

The bid talks between Hepworth Ceramic and H. and R. Johnson-Richards Tiles have broken down. Hepworth is now making its £26m. offer direct to JRT shareholders. A spokesman for Hepworth said that the talks had broken down on price. Hepworth is offering one Ordinary share plus 39p in cash for each JRT share. This may, however, be only a sighting shot as JRT shareholders controlling 25 per cent. of the equity have already indicated their willingness to consider any offer worth more than 125p a share.

McLeod-Sipef reacted angrily to the London Sumatra Board's rejection of its revised bid of 150p per share, stating that they were unable to reconcile the rejection with the recommendation of the Board of Harcros of an offer from Harrisons and Crosfield which apparently values Harcros' 10 per cent. stake in London Sumatra at less than 80p per share.

The City Take-over Panel has instructed several parties, which it deems to have been acting in concert on share dealings, to make a full bid for London and Liverpool Trust. The Panel has ruled that Aschheim Securities and W. and SA Zug, which recently acquired 750,000 shares at 21p per share, should extend this offer to the remaining shareholders.

Jokai Tea and Longbourne Holdings, two members of the Camellia Investments group, have started merger talks.

Henry Wigfall has succeeded in beating off the £4m. bid from Comet Radiovision, but only just. The latter had received acceptances which, together with its own holdings, would have raised its stake in Comet to 47.53 per cent. The Comet offers have lapsed.

Terms have been agreed for Ranks Hovis McDougall to purchase Swel Foods Holdings, the Lincolnshire-based dried vegetable manufacturer, for almost £1.5m. in cash.

A bid may well be in the offing for Kingside Investment following the announcement that the company has received an approach from an unnamed party, while, in a new expansion of its U.S. interests, Racal Electronics is buying the Vadic Corporation for £5.35m.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid (£m's)**	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated.						
BCA	125†	123	53	1.48	A. P. Cement	—
Blakey's (Malleable Castings)	52*	52	48	1.5	Allied Insulatrs.	—
Bury & Masco	98§§	89	80	6.38	Scapa	12/4
Cray Electronics	26*	24½	87	2.58	Spey Invests.	—
Gedong Invs.	137½§	130	125	0.46	Cons. Plants	—
Gordon Johnson Stephens	24*	23	18	1.6	Simon Engrg.	—
Hamilborne	48*	49	43	0.75	Ferguson Secs.	—
Jhnsn.-Richards (H. & R.) Tiles	117½§§	116	118½	25.8	Hepworth Ceramic	—
Lockhart (A.)	232	200	170	1.76	Irish Ropes	—
Lond. Aust. Invs.	145*	139	123	10.9	Colonial Mutual Life	12/5
Lond. Aust. Invs.	130*§	130	101	7.18	Hooker Corp.	26/4
Lond. & Liverpool Trust	21*	23	19	0.52	Aschheim Secs. & W. & A. SA Zug	—
London Sumatra	150*	128	98	23.9	McLeod Russel/ Sipef SA	14/4
Prop. Inv. & Fin.	110*	108	106	4.74	Castlmr. Props.	—
Reynolds (W. J.)	45*	43½	44½	1.75	Oakstone	—
Scot. & Univ. Invs.	132	107††	107	41.13	Lonrho	—
Young Austen Young	83*	83	66	3.4	Trafalgar House	—

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ¶ Combined market capitalisation. ‖ Date on which scheme is expected to become operative. ** Based on 6/4/78. †† At suspension. ‡‡ Estimated. §§ Shares and cash. ¶¶ Based on 7/4/78.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Aberthaw & Bristol	Dec. 31	1,855	(1,677)	23.4	(21.2)	6.737	(6.1)
Appleyard Group	Dec. 31	1,470	(1,370)	12.5	(11.6)	4.914	(4.44)
Ash & Lacy	Dec. 31	1,400	(1,785)	15.9	(21.4)	6.634	(5.986)
Authority Invs.	Sept. 30	392	(180)L	6.0	(Nil)	Nil	(Nil)
Bank Scotland	Feb. 28	27,593	(26,774)	39.0	(36.7)	10.894	(9.829)
Berwick Timpo	Dec. 31	880	(895)	9.5	(10.7)	2.995	(2.681)
BICC	Dec. 31	47,124	(43,484)	13.2	(9.7)	7.05	(6.61)
Bifurcated Engrg.	Dec. 31	1,397	(1,143)	8.9	(8.4)	2.816	(2.548)
A. & C. Black	Dec. 31	314	(152)	15.6	(7.1)	4.9	(4.39)
Black & Edgington	Dec. 31	2,700	(1,800)	8.2	(7.6)	4.468	(4.0)
Boosey & Hawkes	Dec. 31	1,960	(2,130)	24.6	(24.5)	5.075	(4.591)
Bowater	Dec. 31	87,000	(78,300)	21.9	(21.3)	9.7	(8.3)
British Printing	Dec. 31	5,788	(3,160)	11.0	(0.5)	3.183	(3.183)
Cadby-Schweppes	Dec. 31	48,200	(46,400)	8.6	(9.5)	3.041	(2.723)
CES	Jan. 28	4,342	(4,613)	12.4	(15.6)	3.242	(2.903)
Cape Inds.	Dec. 31	11,857	(14,204)	39.1	(38.9)	8.208	(7.347)
Croda Intl.	Jan. 1	13,037b	(15,142)a	8.8	(9.2)	2.175	(1.964)
James Dickie	Dec. 31	397	(403)	14.5	(11.2)	4.4	(3.86)
J. E. England	Dec. 31	450	(1,115)	4.4	(10.5)	1.42	(1.271)
Freemans (SW9)	Jan. 28	13,060	(10,340)	27.3	(21.2)	5.943	(5.369)
Grattan W'houses	Jan. 31	11,760	(11,430)	12.4	(12.4)	5.562	(5.217)
Greencoat Props.	June 30	4,730L‡	(239)‡	Nil	(0.6)	Nil	(Nil)
Greenbank Indl.	Dec. 31	2,000	(1,500)	6.9	(6.4)	1.675	(1.512)
GKN	Dec. 31	72,300	(97,700)	24.9	(44.1)	15.565	(12.452)
Grampian Hldgs.	Dec. 31	1,464	(2,811)	13.4	(21.9)	3.993	(3.933)
Harrisons	Dec. 31	303	(106)	10.2	(1.8)	4.196	(3.758)
Hiltons Footwear	Jan. 27	1,095	(793)	13.1	(8.9)	4.855	(4.396)
Charles Hurst	Dec. 31	962	(691)	16.6	(13.3)	5.96	(5.375)
Thos. Jourdan	Dec. 31	500	(608)	8.9	(7.9)	2.888	(2.6)
Law Land	Dec. 31	134	(675)	1.5	(1.2)	1.0	(2.317)
Leyland Paint	Dec. 31	1,727¶	(1,391)a	20.3	(13.7)	7.012†	(4.1)†
London Brick	Dec. 31	12,174	(10,521)	12.8	(8.8)	3.227	(2.917)
Macfarlane Grp.	Dec. 31	571	(623)	6.8	(5.3)	3.84	(3.439)
Robert McBride	Dec. 31	1,734	(1,317)	41.0	(30.9)	4.902	(4.389)
Mersey Docks	Dec. 31	4,100	(4,380)	20.5	(21.9)	—	(—)
Morgan Crucible	Dec. 31	11,941	(9,983)	14.1	(11.5)	5.276	(4.754)
News Intl.	Dec. 31	18,150	(15,630)	44.7	(37.3)	8.9	(8.0)
Ocean Transport	Dec. 31	39,077	(41,204)	29.7	(23.9)	8.188	(7.39)
Ofrex Group	Dec. 31	3,940	(2,190)	12.6	(8.7)	3.62	(3.19)
Phoenix Assce.	Dec. 31	35,900	(24,500)	40.2	(21.5)	10.348	(9.345)
Provincial Ins.	Dec. 31	3,380	(2,250)	24.9	(21.4)	19.752†	(17.807)†
Austin Reed	Jan. 31	2,552	(1,827)	12.4	(9.2)	4.332	(3.938)
Richards (Leics.)	Dec. 31	601	(490)	17.0	(12.2)	3.809	(3.445)
Savoy Hotel	Dec. 31	2,686	(1,237)	§	(§)	1.117	(1.0)
Scottish TV	Dec. 31	1,738	(1,406)	14.1	(13.7)	2.36	(2.13)
W. H. Smiths	Jan. 28	20,172	(15,627)	14.1	(14.0)	2.2	(1.951)
Spirax-Sarco	Dec. 31	5,080	(4,231)	26.3	(25.1)	8.884	(6.246)
Sun Alliance	Dec. 31	57,200	(37,800)	64.3	(44.1)	20.154	(18.187)
Henry Sykes	Dec. 31	2,080	(1,780)	11.6	(10.4)	3.2	(1.56)
Taylor Woodrow	Dec. 31	22,420	(20,997)	42.0	(41.5)	7.603	(6.8)
Tilbury Cntrctng.	Dec. 31	2,110	(1,942)	51.5	(46.9)	20.041	(17.917)
Unicorn Inds.	Dec. 31	6,626	(5,074)	13.8	(11.1)	5.428	(4.908)
E. Upton	Jan. 31	199a	(36)b	1.7	(0.1)	2.25	(2.25)
Watts Blake	Dec. 31	2,670	(2,520)	14.8	(15.8)	6.364†	(3.205)†
Whittington Eng.	Dec. 31	169	(154)	11.8	(9.9)	4.389	(3.968)
Zenith	Dec. 31	1,320	(1,210)	10.8	(9.7)	4.398	(3.938)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
AB Electronics	Dec. 31	155	(381)	2.0	(1.5)
Wm. Boulton	Dec. 31	576	(495)	0.55	(0.5)
Burns-Anderson	Dec. 31	257	(201)	0.4	(0.35)
Highland Distllrs.	Feb. 28	1,710	(1,445)	1.0	(0.8)
Hghlnd. Electrncs.	Oct. 31	255	(194)	—	(—)
Maynards	Dec. 31	1,270	(1,020)	1.54	(1.4)
Mitchell Cotts	Dec. 31	4,580	(4,640)	0.656	(0.656)
Peters Stores	Dec. 24	384	(122)	1.0	(0.3)
Scottish Met.	Feb. 15	539	(501)	0.9	(0.818)
Town Centre Secs.	Dec. 31	304	(150)	—	(—)
Wombwell Fdry.	Jan. 31	105	(88)	0.335	(0.335)
"W" Ribbons	Dec. 31	362	(335)	1.3	(0.97)
Yarrow	Dec. 31	767	(944)	1.7	(1.5)

(Figures in parentheses are for corresponding period.)
Dividends shown net except where otherwise stated.
* Adjusted for any intervening scrip issue. † Gross. ‡ After tax. § Not given. ¶ For 65 weeks. a For 53 weeks. b For 52 weeks. L Loss.

Scrip Issues

Greenbank Industrial Holdings: Two-for-five.
Pressac Holdings: One Preference for ten Ordinary.
Savoy Hotel: One-for-ten.
Spirax-Sarco: One-for-one.
Watts Blake Berne: One-for-two.

APPOINTMENTS

Changes at Hawker Siddeley

Sir John Lidbury, vice-chairman and deputy managing director of Hawker Siddeley Group, has become chairman of High Duty Alloys Castings, High Duty Alloys Extrusions, and High Duty Alloys Forgings in place of Mr. L. C. Dick, who is retiring. Mr. J. M. Durber, recently appointed to the Hawker Siddeley Group Board, has joined the Boards of those companies as deputy chairman. Mr. D. R. Gilbert, managing director of High Duty Alloys Castings, has succeeded Mr. Dick as chairman of Hidutex Engineering.

★

The Earl of Westmorland has been appointed to the Boards of CROWN LIFE ASSURANCE COMPANY and CROWN LIFE MANAGEMENT SERVICES, members of the Crown Life Group.

★

Mr. W. Leonard Hyde is to retire as chief general manager of the LEEDS PERMANENT BUILDING SOCIETY on June 30, but will continue as a director. Mr. Stanley K. Walker will become chief general manager on July 1.

★

Mr. B. W. Clements has resigned as managing director and from the Board of WILLIAM JACKS AND CO.

★

Mr. J. N. H. Hay has been appointed a director of BRITISH ENGINE BOILER AND ELECTRICAL INSURANCE. Mr. E. Herbert leaves the Board on retirement from the group.

★

Mr. D. N. Barter has been appointed to the Board of JOHN HUDSON AND CO. and Mr. J. G. Hammersley has joined the Board of John Hudson (Birmingham).

★

Mr. Robert J. Buckley, chairman and chief executive officer of Allegheny Ludlum Industries Inc., of Pittsburgh, U.S., and Mr. Frank Waller, chairman and managing director of Adwest Group, U.K., have joined the Board of WILKINSON MATCH.

★

Mr. H. K. Jolly has retired as the director of the BRITISH RADIO EQUIPMENT MANUFACTURERS' ASSOCIATION and the RADIO INDUSTRY COUNCIL and has been succeeded by Mr. Oliver Sutton.

★

Mr. A. Clery has been appointed a director of FURNESS-HOULDER (COMMERCIAL SERVICES).

★

Mr. David Legg has been appointed divisional director and general manager of SMITHS INDUSTRIES PRECISION FAN COMPANY.

★

WILLIAM REED AND SONS has made the following Board changes: Mr. George Vukotic, president directeur general of William Reed France S.A., has resigned from the parent company Board to concentrate on the development of the group's operations in France now that the acquisition of a new French subsidiary, Tissus KM, has been completed. Mr. Robert H. Reed, who as deputy managing director has assisted Dr. J. A. Blackburn to take over as chief executive, has now resigned from the parent company Board to concentrate on the operations of William Reed Weaving.

★

Mr. Marcus Turnbull has been appointed a non-executive director of GEORGE STURLA AND SON. With Mr. Robert Knight, chairman of Sturla, Mr. Turnbull was a co-founder of the First Fortune finance group, of which he was chairman.

★

Mr. F. O. Crawford and Mr. M. G. Smith have been appointed vice-presidents of CITICORP INTERNATIONAL BANK in London.

★

Mr. M. Grafton-Grattan has been appointed a director of BLAND PAYNE (INTERNATIONAL) and Mr. P. Oxford has become an assistant director. At BLAND PAYNE (U.K.) the following have been made executive directors: Mr. W. Gray, Mr. J. Tapscott, Mr. G. Cook, and Mr. M. Ridd.

★

Mr. H. Mottram, Mr. P. G. Boosie, Mr. M. V. Manzoni, Mr. K. J. Cadman, Mr. S. J. Pedlar, Mr. H. E. Green and Mr. F. W. Carder have joined the Board of ROBERT M. DOUGLAS HOLDINGS as additional directors. Other group changes include R. M. Douglas Construction: Mr. J. R. T. Douglas and Mr. C. Marjoram, chairman and deputy chairman respectively, and Mr. L. R. E. Campbell, an associate director. R. M. Douglas Construction (Scotland): Mr. Douglas, chairman, Mr. Manzoni, Mr. J. C. O. Johnston, Mr. D. M. Balfour and Mr. B. Entwhistle, directors, and Mr. K. A. Steuart and associate director. British Lift Slab: Mr. Douglas, chairman, and Sir Robert Douglas, deputy chairman. Douglas Technical Services: Mr. Marjoram, deputy chairman.

R. M. Douglas Asphalt and Paving: Mr. Marjoram, chairman, Sir Robert, deputy chairman, and Mr. R. J. Hunt, a director. Douglas Environmental Engineering: Mr. R. B. A. Taylor, a director. R. M. Douglas Roofing: Mr. Marjoram, chairman, Sir Robert, deputy chairman, and Mr. Douglas, a director. Marshall Davis and Company: Mr. Marjoram, chairman, Sir Robert, deputy chairman, and Mr. Douglas, a director. Rapid Metal Developments: Mr. M. J. Day, a director and Mr. J. Montgomery and Mr. M. C. Hodges, associate directors. Douglas Plant: Mr. Marjoram, a director. R. M. Douglas Group Pensions: Mr. Douglas retires from the Board and Mr. Marjoram becomes chairman. Mr. F. W. Carder, Mr. G. E. Skues, Mr. H. K. Dale and Mr. R. D. Burr, directors

West Yorks. Co-op exceeds £774,000

After expenses of £6.41m., against £5.57m., West Yorkshire Co-operative Society, including the West Riding Co-operative Association, improved its pre-tax surplus from £670,960 to £774,644 for the year to January 28, 1978. Sales, excluding VAT, were up £8.79m. at £57.31m., with a rise of 18.3 per cent. to £42.25m. in the Society's own turnover.

Membership of the society was down 195 at 58,122.

The directors say the society is well placed to take full advantage of any upturn in the economy and is trading from a very secure financial base.

A further £1.2m. is to be spent on developments during 1978. New projects will include a 7,000 square feet neighbourhood food store, and 6,000 square feet extension to an existing food unit and a re-fitting of 16 of its 73 food fairs.

In the society's departmental store group continual development is taking place to further improve customer facilities. In addition a major replacement of plant within the linen hire laundry division and re-development of services available of the Turf/Flat/Shell garage is planned, the directors state.

The surplus for the year was struck after dividend stamps of £342,684 (£336,504) and interest paid of £125,389 (£116,834), and included interest received of £165,193 (£191,074).

First half progress by Wm. Jacks

On higher turnover of £5.28m. against £4.17m., taxable profit of William Jacks and Co. expanded from £93,031 to £235,624 for the six months to December 31, 1977.

After tax of £115,297 (£86,779), net profit improved from £6,252 to £120,327. Earnings per 25p share are given as 2.21p (0.12p loss).

An interim dividend of 0.66p net has already been paid for the current year absorbing £36,459—for all 1976-77, no payments were made and pre-tax profit came out at £206,000.

The holding company has materially reduced interest charges and overhead expenses, say the directors, but has had to meet expenses incurred in the sale of the company's holding in William Jacks and Co. (Malaya) Berhad.

William Jacks and Co. (Malaya) Berhad now holds some 50.2 per cent. of the equity.

The group's activities are in overseas trading and manufacturing, and motor car distributing and retailing.

VARIABLE STOCK

The Bank of England announce that the rate of interest payable on the Variable Rate Treasury Stock 1981 for the dividend due on May 17 1978 will be £3.07 per cent.

New bid to beat alcoholism

GOVERNMENT cash is to be made available to set up Britain's first specialist training courses for people who have to deal with alcoholism.

The courses, at Paisley College of Technology, will be for doctors, nurses and social workers and also the police, clergy, teachers and the voluntary services.

Mr. Harry Ewing, Under Secretary at the Scottish Office responsible for health, hailed the move as a "major step forward."

FEELING OUT OF TOUCH WITH THE STOCKMARKET?

Most people are. Especially now that markets have become so volatile.

It's a sad fact, but Private Investors today find themselves left out in the cold! The first news most private investors ever get about their shares is in the "press"—after the event! The best advice tends to go to the big institutions first, or you have to share it with a million other readers of your favourite newspaper.

Now, consider the advantages of taking an Investment Newsletter. Take a look at the Fleet Street Letter, Britain's oldest letter. With its strictly limited circulation. Every issue contains just two major ideas, straight to the point, telling you what to buy and how much to pay for it. FSL subscribers ONLY get this advice, and the all important follow-up information on every share until we advise the time is right to sell and take a real profit.

Now that you begin to see how FSL can help you, take it a stage further. Send for a copy of our current issue, it's yours to keep with our compliments. Only when you have read it will you really understand why many alert investors have taken FSL for so many years.

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BANK RETURN

	Wednesday Apr. 5 1978	Inc. (+) or Dec. (—) for week
BANKING DEPARTMENT		
LIABILITIES	£	£
Capital	14,553,000	—
Public Deposits	35,822,427	+ 11,184,210
Special Deposits	1,245,860,000	—
Bankers	391,645,681	— 199,527,766
Reserves & Other Accs	738,125,157	+ 41,856,517
	2,426,006,265	— 146,487,039
ASSETS		
Govt. Securities	2,062,556,089	— 90,200,000
Advances & Other Accs	181,959,476	— 50,430,885
Premises, Equip't & other Secs	173,934,893	+ 50,738
Notes	7,355,722	— 5,959,431
Coin	202,096	+ 52,539
	2,426,006,265	— 146,487,039
ISSUE DEPARTMENT		
LIABILITIES	£	£
Notes Issued	8,000,000,000	— 100,000,000
In Circulation	7,992,646,278	— 94,040,569
In Bank'g Dept	7,353,722	— 5,959,431
ASSETS		
Govt. Debts	11,015,100	—
Other Govt. Secs.	7,025,553,941	— 96,645,569
Other Securities	963,430,959	— 3,354,431
	8,000,000,000	— 100,000,000

THE FAMILY INVESTMENT TRUST, LIMITED

"A smaller company Investment Trust"

Managers — KLEINWORT BENSON

Extracts from the Statement by the Chairman, Mr. W. H. Conroy, in the Report and Accounts for the year ended 31st January, 1978

LAST YEAR:
The year ended 31st January 1978 was one of the most successful in the history of this Trust. The policy of investing in smaller companies, the principle on which this Trust is based, continues to be amply justified by this result.

	31.1.1977	31.1.1978	
Net Asset Value per share	60p	93p	+ 55.0%
FT Actuaries All Share Index	166.52	203.94	+ 22.5%
Earnings net per share	3.19p	3.96p	+ 24.1%
Dividend net per share	3.15p	3.85p	+ 22.2%

LONGER TERM PROGRESS:

	30.9.1962	31.1.1978	
Net Asset Value per share	17p	93p	+ 447.1%
FT Actuaries All Share Index	90.2	203.94	+ 126.1%
Earnings net per share	0.56p	3.96p	+ 607.1%
Dividend gross per share	0.91p	5.83p	+ 540.7%
Retail Price Index	52.9	189.5	+ 258.3%

THE FUTURE:
I believe that further significant upward progress in asset values will be more difficult to achieve this year but income should again increase.

Annual General Meeting: 20 Fenchurch Street, London EC3P 3DB, Tuesday 2nd May, 1978 at 2.30 p.m.

Invest now in the Arbuthnot Smaller Companies Fund.

Share in the success of smaller companies.

We believe that smaller companies offer great potential for real capital growth. Their performance over the past year has been impressive, and existing unit trusts, with an accent on smaller companies, were among the leading funds in 1977.

New fund- first public offer.

Now Arbuthnot Securities Limited introduce a new fund to give you a share of this potential growth sector.

The aim is exceptional capital growth in the long term plus strong growth of income – estimated current gross yield 4·7%.

Arbuthnot Securities already successfully manage over £30 million in unit trusts, of which some £16 million is invested in the shares of smaller companies.

What's so special about smaller companies?

Smaller companies are in the best possible position to take advantage of favourable market conditions.

* Because they are not wholly dependent on world trade, smaller companies will benefit quickly from the anticipated upturn in the U.K. economy, particularly with North Sea Oil revenue and the internal reflation expected in the Chancellor's budget.
* There is also the possibility of takeover; most takeovers are between medium sized and smaller companies, with consequent gains for unit holders.
* Smaller companies can adapt to changing conditions much more quickly than larger corporations. Lines of communication are short, leading to improved labour relations, less disputes and higher productivity.
* There are strong hints that Government help for smaller companies will be included in the next Budget; in a recent television interview, a Government spokesman stated that the measures would "significantly change the climate in favour of smaller companies." The Arbuthnot Smaller Companies Fund is your opportunity to make the most of this more favourable climate.

Special 1% discount.

By allocation of additional units, this discount is borne by the Managers.

Unit holders are reminded that the price of units may go down as well as up as may the income from the fund.

Your investment should be regarded as long term.

Fixed price offer until 5pm on 14th April, 1978 at 28·5p per unit (or the daily price if lower).

The Managers reserve the right to close this offer if the value of units should rise by more than 2½%. Applications will be acknowledged, and unit certificates will be issued within 35 days. The offer price includes an initial charge of 5%. The annual charge is ⅜%+VAT. Half yearly distributions, net of basic rate tax, are made on 15th June and 15th December for those registered by 30th April and 31st October respectively. After the close of this offer units may be purchased at the weekly (Wednesday) dealing date, when units can also be sold back. Payment will be made within 14 days of the dealing date and on receipt of your certificate duly renounced. The daily price and yield appear in most leading newspapers. A commission of 1¼% will be paid to recognised agents. This offer is not open to residents of the Republic of Ireland. Trustees: The Royal Bank of Scotland Ltd. Managers: Arbuthnot Securities Ltd. (Reg. in Edinburgh 46694). Members of the Unit Trust Association.

To: Arbuthnot Securities Ltd., 37 Queen Street, London EC4R 1BY. Telephone: 01-236 5281.

DIRECTORS: SIR TREVOR DAWSON Bt. (CHAIRMAN), M.G. BARRETT (MANAGING), A. PICKLES O.B.E. J.P., A.R.C. ARBUTHNOT, C.D. LAWTON F.C.A., M.P. RENTON, PROF. R. SMITH B.A., M.Sc., Ph.D., (Econ.), P. ASHLEY MILLER, F.C.A.

I/We wish to invest the sum of £________ (min. £500) in the Arbuthnot Smaller Companies Fund and enclose a cheque payable to Arbuthnot Securities Ltd. Share exchange scheme tick box for details ☐ Monthly saving tick box for details ☐

I/We declare that I am/we are over 18 and not resident outside the scheduled territories nor am I/we acquiring the above mentioned securities as the nominee(s) of any person(s) resident outside these territories. (If you are unable to make this declaration, it should be deleted and the form lodged through your Bank, Stockbroker or Solicitor in the United Kingdom).

Signature(s) ________
Joint applicants, all must sign. State Mr/Mrs/Miss or Titles and Forenames.
Full Name(s) ________
Address(es) ________

ARBUTHNOT Established 1833. FT8/4SC
SMALLER COMPANIES FUND

WALL STREET + OVERSEAS MARKETS + LATEST PRICES

Slightly up in early trading

BY OUR WALL STREET CORRESPONDENT

NEW YORK, April 7.

SLIGHTLY HIGHER levels developed in moderate trading on Wall Street to-day, when investors were encouraged by the smaller-than-expected growth in narrowly defined M-1 Money Supply, which indicates the Federal Reserve may not have to tighten monetary policy as much as previously thought.

Closing prices and market reports were not available for this edition.

By mid-day, the Dow Jones Industrial Average was up 1.99 to 765.94, making a rise of 8.58 on the week. The NYSE All Common Market Index, at $50.28, gained 9 cents on the day and 43 cents on the week, while advances led declines by a six-to-five majority. Volume was 12.73m. shares.

Airco were lifted $5½ to $49½ and Martin Marietta tacked on $¾ at $26¾—BOC International agreed with Airco to tender for all Airco shares it doesn't own at $50 each and rejected Marietta's offer at the same price.

Holly Sugar were up $2½ to $22¾.

Superior Oil rose $5⅞ to $250⅜, Marshall Field $1¼ to $21¾, Vornado $1½ to $10½ and Ansul $1¾ to $10¾.

Buffalo Forge lost $2 to $33¾ on lower first-quarter earnings.

Tektronix gained $1¾ to $36½.

The AMERICAN S.E. Market Value Index advances 0.54 to 131.39, making a rise of 2.45 on the week.

Interpol moved up $2½ to $37¾—Thyssen-Bornemisza will acquire it for $40 per share.

THURSDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Kennecott Copper	496,800	27⅞	−⅝
H. J. Heinz	402,500	34	−⅞
K Mart	220,900	24	+⅛
G. F. Bus. Equip.	217,600	38	−⅝
Westinghouse	210,100	17½	+⅛
J. Ray McDermott	198,500	25½	+⅞
Digital Equipment	171,600	30⅞	−⅞
Brunswick	165,900	15	−¼
Sears Roebuck	164,500	22⅞	+¼
Carrier	162,400	17⅞	—

OTHER MARKETS

Canada mixed

Canadian Stock Markets turned mixed in active trading yesterday morning, with the Toronto Composite Index up 2.1 at 1,072.0.

The Oil and Gas Index rose 13.1 to 1,448.1. Utilities 0.75 to 164.79 and Banks 0.81 to 250.39, but Metals and Minerals lost 2.1 to 892.2. Golds shed 0.3 to 1,279.8 and Papers eased 0.24 to 106.90.

PARIS—Market again firm. Profit-taking well absorbed by foreign buyers, with the appointment of Rene Monory as Economy Minister still encouraging the market.

Constructions and Steels irregular.

U.S. stocks little changed, Germans and Dutch eased, Foreign Oils mixed.

Golds and Coppers slightly lower.

BRUSSELS—Mostly higher in more lively trading.

U.K., Dutch and U.S. stocks little changed, Germans and French mixed. Gold Mines fell.

COPENHAGEN — Generally higher in moderate dealings. Banks, Communications and Industrials firmed, Shippings mainly better. Insurances eased. Commodities generally lower.

GERMANY—Weaker on balance in dull trading.

Volkswagen shed Dm.2.30 on dividend and rights issue.

Banks, Chemicals, Electricals and other Motors mixed.

Public Authority Bonds easier. Regulating Authorities bought just under Dm.3m. worth of stock. Mark Foreign Loans firm.

SWITZERLAND—Steady in continued small trading.

Domestic and Foreign Bonds firmer.

Dollar and German shares little changed. Dutch issues slightly firmer.

MILAN—Market eased over a broad front in very quiet trading. Industrials lower.

Bonds selectively higher.

OSLO—Industrials and Insurances firmer. Shippings barely steady.

VIENNA—Slightly higher.

HONG KONG—Market firmed in fairly active trading.

East Asia Navigation rose 45 cents to $HK4.15 after Industrial Bank of Japan's statement that it will firmly support Japan Line.

Hong Kong Bank fell 20 cents to $HK15.20 on its plans to acquire 51 per cent. of Marine Midland Banks.

TOKYO — Lower in limited trading. Volume 280m. (360m.) shares.

Recently selected Pharmaceuticals, Electricals and Public Works fell on profit-taking.

JOHANNESBURG—Gold shares drifted easier in line with lower bullion indications.

Afrik Lease down 185 cents to 260 following decision to delay uranium production.

AUSTRALIA — Firm, with interest centring on Industrial leaders.

Australian Gypsum continued active and rose to $A2.10, while Boral fell 5 cents to 2.25. TNT gained 4 cents to 1.09 on the sale of its interest in R. W. Miller to Atlantic Richfield.

Indices

NEW YORK —DOW JONES

	Apr. 6	Apr. 5	Apr. 4	Apr. 3	Mar. 31	Mar. 30	1978 High	1978 Low	Since compilat'n High	Since compilat'n Low
Industrial	763.95	763.08	755.37	751.04	757.36	759.62	817.74 (3/1)	742.12 (22/2)	1051.70 (11/1/73)	41.22 (2/7/32)
H'me B'nds*	89.40	89.50	89.49	89.46	89.54	89.72	90.86 (4/1)	89.65 (28/1)	—	—
Transport	206.86	206.27	205.49	205.40	207.15	207.20	215.77 (3/1)	198.31 (9/1)	279.88 (7/2/69)	13.23 (8/7/32)
Utilities	105.65	105.61	105.04	104.74	105.68	105.72	110.98 (3/1)	102.84 (22/2)	163.32 (20/4/69)	10.58 (28/4/42)
Trading vol. 000's †	27,630	27,260	20,130	20,250	20,150	20,460	—	—	—	—

* Basis of index changed from August 24.

	Mar. 31	Mar. 24	Mar. 17	Year ago (approx.)
Ind. div. yield %	6.16	6.16	6.06	4.57

STANDARD AND POORS

	Apr. 6	Apr. 5	Apr. 4	Apr. 3	Mar. 31	Mar. 30	1978 High	1978 Low	Since Compilat'n High	Since Compilat'n Low
‡ Industrials	98.72	98.56	97.86	97.29	95.02	98.24	105.22 (3/1)	95.52 (6/3)	134.64 (11/1/73)	3.52 (30/6/32)
§ Composite	89.79	89.64	88.86	89.46	89.21	89.41	93.82 (3/1)	86.90 (6/3)	125.85 (11/1/73)	4.40 (1/6/32)

	Apr. 5	Mar. 29	Mar. 22	Year ago (approx.)
Ind. div. yield %	5.39	5.46	5.46	4.29
Ind. P/E Ratio	8.48	8.48	8.48	10.21
Long Govt. Bond yield	8.32	8.25	8.15	7.73

N.Y.S.E. ALL COMMON

Apr. 6	Apr. 5	Apr. 4	Apr. 3	1978 High	1978 Low
50.19	50.09	49.66	49.44	51.82 (3/1)	48.37 (6/3)

Rises and Falls

	Apr. 6	Apr. 5	Apr. 4
Issues traded	1,848	1,873	1,842
Rises	819	1,022	818
Falls	539	430	520
Unchanged	436	421	504
New Highs	—	60	29
New Lows	—	24	39

MONTREAL		Apr. 6	Apr. 5	Apr. 4	Apr. 3	1978 High	1978 Low
	Industrials	176.91	175.60	173.68	173.91	176.91 (6/4)	182.90 (16/2)
	Combined	183.02	181.97	180.65	180.84	183.02 (6/4)	170.62 (30/1)
TORONTO	Composite	1069.9	1064.8	1067.5	1059.2	1069.9 (6/4)	998.2 (30/1)
JOHANNESBURG	Gold	199.3	199.9	201.9	203.4	216.7 (1/2)	195.0 (21/3)
	Industrials	205.0	204.6	204.0	203.9	214.4 (4/1)	194.9 (15/3)

	April 7	Previous	1978 High	1978 Low
Australia (§)	460.14	469.44	479.45 (3/1)	441.19 (1/3)
Belgium (‖)	96.63	95.57	96.62 (7/4)	90.43 (12/1)
Denmark (**)	96.28	96.18	98.15 (9/1)	94.00 (6/2)
France (††)	64.6	63.7	64.6 (7/4)	47.6 (3/2)
Germany (‡‡)	800.4	802.9	812.7 (10/2)	788.2 (4/1)
Holland (§§)	77.0	76.8	82.1 (10/2)	76.0 (4/4)
Hong Kong (¶¶)	447.17	446.36	451.67 (4/4)	383.44 (13/1)
Italy (‖‖)	60.54	60.63	63.56 (6/3)	56.46 (10/1)
Japan (a)	409.20	409.96	410.62 (5/4)	364.04 (4/1)
Singapore (b)	295.85	294.87	295.55 (7/4)	262.00 (9/1)

	April 7	Previous	1978 High	1978 Low
Spain (d)	90.75	90.58	92.90 (10/1)	81.82 (17/3)
Sweden (e)	371.80	370.81	371.80 (7/4)	325.74 (3/1)
Switzerl'd (f)	295.5	295.6	325.7 (14/2)	280.4 (10/3)

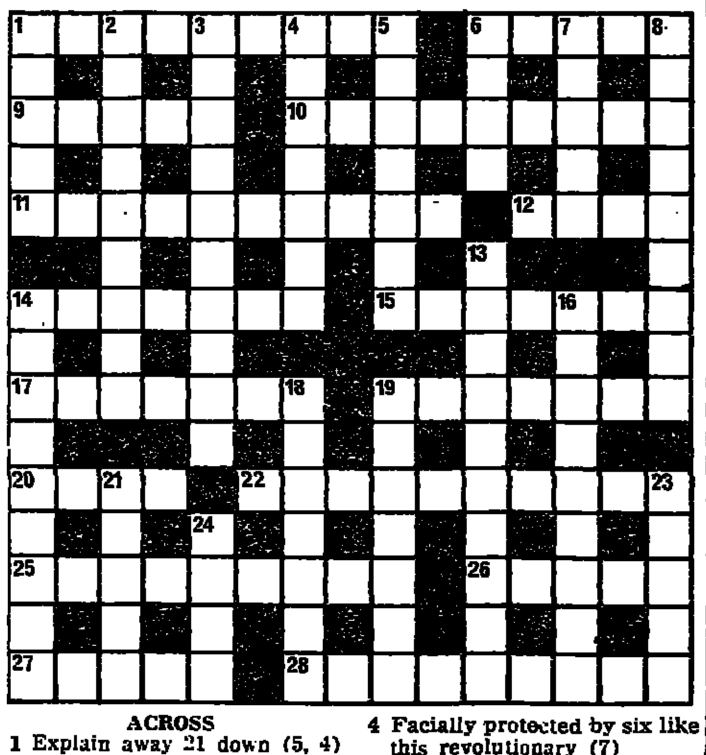
Indices and base dates (all base values 100 except NYSE All Common — 50 Standards and Poors — 10 and Toronto 300-1,000, the last named based on 1975) † Excluding bonds. ‡ 400 Industrials. § 400 Inds., 40 Utilities, 40 Finance and 20 Transport. (¶) Sydney All Ord. (‖) Belgian SE 31/12/63. (**) Copenhagen SE 1/1/73. (††) Paris Bourse 1961 (‡‡) Commerzbank Dec., 1953. (§§) Amsterdam. Industrial 1970 (¶¶) Hang Seng Bank 31/7/64 (‖‖) Milan 2/1/73. (a) Tokyo New SE 4/1/68 (b) Straits Times 1966 (c) Closed (d) Madrid SE 30/12/77 (e) Stockholm Industrial 1/1/58. (f) Swiss Bank Corp. (u) Unavailable.

F.T. CROSSWORD PUZZLE No. 3,637

A prize of £5 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....



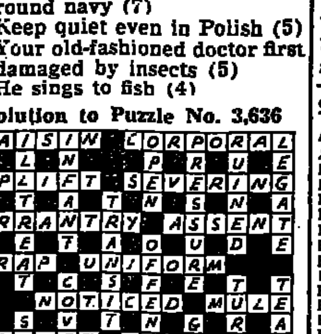
ACROSS

1 Explain away 21 down (5, 4)
6 Virginia has bath back in flat (5)
9 Interference with stop-go by the way (5)
10 Arresting device for highly strung performers (6, 3)
11 Get down to business of having to chat up bird at Christmas (4, 6)
12 Carry stick (4)
14 Apprehended for looking affected by cold (7)
15 Drink leaves supplier with many branches (3, 4)
17 Venture quietly to start up again (7)
19 Day I clear material (7)
20 Spots right wood (4)
22 Get hurt having to recover hydrogen weapon (4, 2, 4)
25 Unlock poetic share of activity (9)
26 Happening just in front of Turk's Head (5)
27 College taking in Edward Lear (5)
28 Spoil one score concerning husband (9)

DOWN

1 Hard work by key artist on paper (5)
2 All things considered there's no upsetting scales (2, 7)
3 Begin to lengthen stride during prison sentence abroad (7, 3)
4 Facially protected by six like this revolutionary (7)
5 Think what a glass could do (7)
6 Medical man, with love, may prohibit ... (4)
7 ... writer going to church for money (5)
8 Put chap off becoming cleaner (9)
13 Go on over importance of 11th hour (4, 6)
14 A reporter is engaged in filling up forms (5, 4)
16 Revive memories to help make a change (4, 1, 4)
18 Absorption in number one (7)
19 More severe guide going round navy (7)
21 Keep quiet even in Polish (5)
23 Your old-fashioned doctor first damaged by insects (5)
24 He sings to fish (4)

Solution to Puzzle No. 3,636



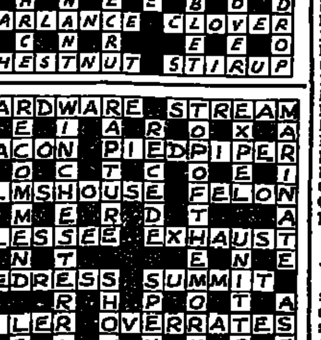
SOLUTION AND WINNERS OF PUZZLE No. 3,631

Following are the winners of last Saturday's prize puzzle:

Mr. L. Andrew, Candle Cottage, East Street, Crewkerne, Somerset.

Mr. M. J. Greenfield, Netherton Hote, 75 Manor Road, Selsey, Sussex.

Mr. S. L. Whitby, 6 Western Esplanade, Broadstairs, Kent CT10 1TG.



RACING — BY DOMINIC WIGAN

Strong hopes for Fair Season

EVER SINCE the weights were published for the Irish Sweeps Lincoln Ian Balding has been more than hopeful of success through Fair Season. I find it difficult not to share his enthusiasm.

Col. Julian Berry's Silly Season four year old—who was considered to be a live prospect for the 1977 2,000 Guineas after a highly successful two-year-old campaign which saw him running out a full length's winner of the Horris Hill after failing by 1½ lengths to give Mrs. McArdy a stone at Doncaster—had a less successful time of its last year.

However, his connections feel that this was largely due to the effect of a particularly hard race in Ascot's 2,000 Guineas trial in which he lost his action in hock-deep mud behind The Minstrel.

If Fair Season, the winner of handicaps at Salisbury and Ayr towards the end of last summer following half a dozen moderate efforts, is, as his trainer is confident, right back to the form he showed before that exacting effort behind The Minstrel, it is difficult not to see him winning here off 2st 7lb.

I hope to see him overcome a disappointing draw of 22 with a clear-cut victory over last year's somewhat fortuitous winner, Blustery, and Sunset Value, a live each-way prospect at expected odds of around 20-1.

Forty minutes before the big race there is, to my mind, an almost equally intriguing contest for the five furlongs Batthyany Handicap in which a chance can be given to every one of the runners on some 1977 form.

Three who seem certain to give a good account of themselves here are Swinging Pan, Swing Alone and Redding Ridge.

Swinging Pan, with Michael Wigham in the happy position of being able to claim his full 5 lb allowance, receive 7 lb from Willie Carson's mount, Swing Alone, and has to concede just a pound to Redding Ridge, ridden by David Maitland.

The winner of three minor events in the early part of last season, Swinging Pan, a three legs conqueror of Lady Peg at Pontefract on her second appearance, put up her one disappointing effort when beaten fully two furlongs from home in the Queen Mary Stakes at Royal Ascot. However, she did not look her best there with a dull coat, and it could well be that she was beginning to suffer from a minor virus which later affected many in her stable.

Swing Alone and Redding Ridge, who both showed useful form towards the end of last term, met exactly a week ago in Newmarket's £3,000 Rouge Croix Handicap. There the first-named came with a well-timed late flourish in the hands of Willie Carson and won, going away, by 1½ lengths from Frimley Park, with Redding Ridge the same distance away in third place.

At to-day's weights—a 7 lb pull for Redding Ridge—there should be little to choose between them. They are suggested as the chief threat to Swinging Pan, who can recapture her highly impressive spring form of a year ago.

SELECTIONS

DONCASTER

1.45—Soldier's Point
2.15—Swinging Pan**
2.55—Fair Season***
Sunset Value e.w.
3.25—Spy Chief
3.55—Joleg
4.20—Rate
4.50—Given*

SPAIN ♥

April 7	Per cent.	
Asland	111	—
Banco Bilbao	242	+2
Banco Atlantico (1,000)	213	—
Banco Central	303	—
Banco Exterior	274	—
Banco General	271	—
Banco Granada (1,000)	154	—
Banco Hispano	209	—
Banco Ind. Cat. (1,000)	170	—
B. Ind. Mediterraneo	187	—
Banco Popula	207	+2
Banco Santander (250)	329	—
Banco Urquijo (1,000)	215	+3
Banco Vizcaya	210	—
Banco Zaragozano	288	—
Bankunion	135	—
Banus Andalucia	226	—
Babcock Wilcox	29	—
CIC	80	—
Dragados	210	−2
Inmobanif	80	+1
E. I. Aragonesas	51	+1
Espanola Zinc	101	—
Expl. Rio Tinto	94.75	+2.75
Fecsa (1,000)	66.75	+0.50
Fenosa (1,000)	69	—
Gal. Preciados	76	+2
Grupo Velazquez (400)	145	—
Hidrola	75.25	+0.50
Iberduero	70	—
Olarra	80	+1
Papeleras Reunidas	55	—
Petroliber	124	—
Petroleos	157.5	+1.5
Sarrio Papalera	63	—
Sniace	41	−1
Sogefisa	120	—
Telefonica	88	—
Torras Hostench	84	−1
Tubacex	92	+1
Union Elec.	70.25	+0.50

BRAZIL

Apr. 7	Price Cruz	+ or —	Div. Cruz	Yld. %
Acesita	1.29	−0.04	0.12	9.30
Banco do Brazil	2.55	......	0.17	6.67
Banco Itau PN	1.15	......	0.16	[illegible]
Belgo Mineira OP	1.81	−0.04	0.12	6.63
Lojas Amer. OP	3.10	+0.04	0.20	6.45
Petrobras PP	2.95	−0.1	0.10	3.39
Pirelli OP	2.55	−0.05	0.16	6.27
Souza Cruz OP	4.08	+0.08	0.23	5.64
Unip PE	6.90	+0.07	0.2	2.90
Vale Rio Doce PP	1.55	−0.02	0.13	8.39

Vol. Cr. 71.1m. Shares 33.1m.
Source: Rio de Janeiro SE.

NOTES: Overseas prices exclude $ premium. Belgian dividends are after withholding tax.

◆ DM50 denom. unless otherwise stated. ♥ Ptas.500 denom. unless otherwise stated. ♣ Kr.100 denom. unless otherwise stated. ♦ Frs.500 denom. unless otherwise stated. ¶ Yen 50 denom. unless otherwise stated. $ Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs, including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. ▲ Interim since increased.

OVERSEAS SHARE INFORMATION

Inv.$ Prem. at $2.60 to £—103¼% (10[illegible])
Effective rate (at 1.8745) 46⅝% (4[illegible])

NEW YORK

Stock	April 6	April 5
Abbott Labs	54⅜	54⅝
Addressograph	17¾	17⅜
Aetna Life & Cas	35½	35¼
Air Products	25⅞	25¾
Airco	43⅝	43½
Alcan Aluminium	25½	25½
Alcoa	40⅝	40
Allegheny Ludl	18⅝	18⅝
Allegheny Power	18¾	18⅞
Allied Chemical	37½	37⅛
[illegible]		
Conn. Life Ins	44⅝	44¼
Conrac	19½	19½
Con. Edison N.Y.	25	25⅛
Consol Foods	25½	25½
Consol Nat. Gas	39½	39⅞
Consumer Power	23¾	25½
Continental Grp.	30½	30⅛
Continental Oil	25¾	25⅞
Continental Tele.	15⅝	15¾
Control Data	25⅜	25⅝
Cooper Indus.	43¾	43½
Corning Glass	46⅞	46⅛
CPC Int'n'tional	45¾	45⅛
Crane	27¼	27⅝
Crocker Nat	26⅛	25⅞
Crown Zellerbach	32	31⅞
Cummins Engine	36¼	35¾
Curtiss Wright	21⅛	20¼
Dana	23⅜	23¼
Dart Industries	38⅞	38⅛
Deere	25¾	25⅝
Del Monte	24⅝	24
[illegible]		
Johns Manville	29	29⅛
Johnson Johnson	68⅛	68
Johnson Controls	28⅝	28¾
Joy Manufacturing	32⅜	32
K Mart Corp	24	23⅝
Kaiser Aluminium	29⅝	29
Kaiser Industries	1⅞	1¾
Kaiser Steel	22½	22⅞
Kay	8⅞	9⅛
Kennecott	27½	25⅞
Kerr McGee	47½	48
Kidde Walter	29⅛	29½
[illegible]		
Revlon	39⅝	39⅛
Reynolds Metals	28¼	28⅛
Reynolds R. J.	57	57⅛
Rich'son Merrell	22⅝	22⅜
Rockwell Inter	32⅛	31¾
Rohm & Haas	34⅝	34¾
Royal Dutch	59	59¼
RTE	14⅝	14⅞
Russ Togs	11⅞	11⅞
Ryder System	15⅝	15½
Safeway Stores	39¼	39¼
[illegible]		
Woolworth	18¼	[illegible]
Wyly	3⅝	[illegible]
Xerox	42¾	[illegible]
Zapata	17½	[illegible]
Zenith Radio	15⅝	[illegible]
U.S. Treas 4% 1980	194⅞	[illegible]
U.S. Treas 4¾% 75/85	181⅝	[illegible]
U.S. 90 Day bills	6.41%	[illegible]

CANADA

[illegible]

GERMANY ◆

April 7	Price Dm.	+ or —	Div. %	Yld. %
AEG	90.0	+0.1	—	—
Allianz Versich	495	+3	s18	1.8
BMW	226.5	−1.5	20	4.4
BASF	138	−0.5	17	6.2
Bayer	142	−0.7	16	—
Bayer Hypo	288	+0.5	18	3.1
Bayer Vereinsbk	318.5	−1.4	18	2.8
CibaGeigy Ned.wrts	178	+3	—	—
Commerzbank	239.7	−0.7	18	3.7
ContiGummi	80.2	−1	—	—
Daimler Benz	304.5	+1.5	19	3.2
Degussa	265.3	−1.5	17	3.2
Demag	165	−0.5	14	4.2
Deutsche Bank	309.3	+0.2	18	2.9
Dresdner Bank	253.0xd	+0.1	18	3.5
Dyckerhoff Zemt.	150	+4	[illegible]	1.3
Gutehoffnung	197.5	+1	12	3.0
Hapag Lloyd	114.5	+0.5	12	5.2
Harpener	296	−1	9	3.1
Hoechst	131.8	+0.2	16	—
Hoesch	44.7	−1.6	4	4.5
Horten	128	......	10	3.9
Kali und Salz	138	−1	9	3.3
Karstadt	310.5	+1	20	3.2
Kaufhof	210.5	−0.5	20	4.8
Klockner Dm 100	92.5	−0.5	—	—
KHD	176.6	+0.1	12	3.4
Krupp	97.2	−1.3	—	—
Linde	245	−1.5	16	3.3
Lowenbrau 100	1,530	+15	16	10.5
Lufthansa	109.1	−0.4	7	3.2
MAN	192	−1	12	3.1
Mannesmann	170.3	+1.3	14	4.1
Metallges	212	+1	10	2.4
Munchener Ruck	620	+10	18	1.7
Neckermann	116.5	−0.5	—	—
Preussag DM 100	113.1	−0.9	—	—
Rhein West. Elect.	187.7	−1.8	16	4.3
Schering	242.5	−0.5	20	4.2
Siemens	283.5	−0.7	16	2.8
Sud Zucker	249	−3	17	3.4
Thyssen A.G.	127.8	......	11	4.3
Varta	180	−1	14	3.9
VEBA	107.1	−0.4	12	5.7
Verein & West Bk	307	+3	18	2.9
Volkswagen	210	−2.3	10	2.4

BRUSSELS/LUXEMBOURG

April 7	Price Frs.	+ or —	Div. Frs. Net	Yld. %
[illegible]				

PARIS

[illegible]

AUSTRALIA

[illegible]

TOKYO ¶

[illegible]

STOCKHOLM

[illegible]

AMSTERDAM

[illegible]

VIENNA

[illegible]

JOHANNESBURG

[illegible]

COPENHAGEN ♣

[illegible]

SWITZERLAND ♦

[illegible]

MILAN

[illegible]

OSLO

[illegible]

Nijverdal trims loss with aid of Government

By Charles Batchelor

AMSTERDAM, April 7.

NIJVERDAL-TEN CATE, Holland's largest textile company, managed to reduce its loss in 1977 with the help of government support, but still remained substantially in the red.

The net loss totalled Fls.9.1m. ($4.2m.) compared with Fls. 30.5m. the year before, but this improvement included Fls.7.8m. of government aid.

This was granted as bridging assistance to help cover extra costs resulting from Nijverdal's contribution to the restructuring of the textile industry.

Sales also declined slightly to Fls.44.8m. from Fls.460m. In view of the continuing loss the company does not plan to pay a dividend. It last paid Fls.6 per Fls.100 nominal share in 1974.

Nijverdal is one of eight Dutch textile firms which has hived off part of its operations to form an integrated spinning group in the east of the country. Spinnerij Nederland in which the State has a 49 per cent. share, began operating at the end of last month.

$750m. bond issue by Federal Republic

THE WEST German government is to tap the domestic bond market for DM1.5bn. ($750m.) through an issue of bonds in three separate forms. Each issue will be for DM500m. and consist of a six-year maturity, an eight-year issue and a maturity of 12 years.

The latest funding by the Federal Republic represents a significant further decline in bond coupons on the Frankfurt domestic market. The shortest maturity will carry a coupon of 5 per cent. and be priced at par with coupons and issue prices for the eight and 12 years issues amounting to 5¼ per cent. and 5¾ per cent. and 99½ and par respectively.

The First Viking Commodity Trusts

Commodity Trust OFFER 38.2 BID 36.3

Double Option Trust OFFER 87.0 BID 83.0

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Volkswagen taps holders for $450m. in new equity

BY GUY HAWTIN

FRANKFURT, April 7.

VOLKSWAGEN, West Germany's largest car producer which is about to start production in the U.S., announces a rights issue to raise DM900m., or some $450m.

The news of the rights comes as no real surprise. Speculation on such a move has been rife for some time given the company's ambitious capital spending programme which aims at putting something like DM1.9bn. ($950m.) into the group in the years up to 1981.

Following yesterday's supervisory board meeting, VW is also lifting its dividend which is going up from last year's DM5 to DM7 per DM50 nominal share, and, in addition, a DM1 per share bonus is being recommended.

When the tax credit coupon—which, following the federal Republic's corporation tax reform, allows holders to offset corporation tax paid on their dividend against West German income tax—real earnings are up by 150 per cent. to DM12.50 per share.

With regard to the long-awaited capital increase the VW management has for some time considered the present basic capital of DM900m. too low for a group with net profits of well over the DM1bn. mark in 1976. The Federal Government, which owns 20 per cent. of the group has made provision for a capital increase in the Federal budget.

To-day's statement said that it was proposed to increase the concern's nominal capital by DM300m. to DM1.2bn. The new shares would be offered to holders at the ratio of one to three at a price of DM150 per DM50 share. The newly-created shares would carry dividend rights from the first of July this year. No other details were given.

No earnings figures for 1977 were given. The group last year made it clear that it was expecting profits to equal those of 1976 *when they more than covered the* DM807m. 1974 loss and the DM157m. deficit in 1975. Sales last year rose by 10 per cent. and the group easily topped the list of new car registrations in the domestic market.

It sold 8,500 more of its Golf models alone and VW registrations rose from 1976's 663,095 to 789,979.

Boral makes full offer for Gypsum

By James Forth

SYDNEY, April 7.

BORAL, the building products group, has agreed to make a complete takeover offer for Australian Gypsum at the highest price ($A2.22) it has paid in recent market purchases. The bid values Australian Gypsum at $A57.5m. ($66m.).

At the close of trading to-day, Boral had purchased another 1.75m. shares, or about 7 per cent. of the capital, taking its stake to more than 48 per cent.

On Wednesday Boral announced that it had lifted its stake through market purchases to 37.2 per cent. and was asked the following day by Sydney stock exchange whether it would extend a bid to all shareholders.

The bulk of the shares were acquired at $A2.20.

Boral's $A2.22 cash offer is for a total of 1.1m. shares, *or only* 4 per cent. of the capital. Boral is also considering whether to make an alternative share and cash bid.

Boral and Australian Gypsum executives are scheduled to meet on Monday to discuss Boral's intentions.

The Boral offer price compares with a new tangible asset backing for Australian Gypsum shares of only $A1.23.

WARDGATE COMMODITY FUND
at 31st March 1978 £10.01-£10.42
WCF MANAGERS LIMITED
P.O. Box 73
St. Helier, Jersey
0534-20591/3
Next dealings 28th April 1978

Balance sheet plan at Mitsui Sugar

BY DOUGLAS RAMSEY

TOKYO, April 7.

AT LEAST ONE of several companies which face defrocking on the Japanese stock exchanges in September has announced plans to keep its stocks on the markets. Mitsui Sugar, an offshoot of the Number-Two trading house Mitsui and Co., has proposed to its shareholders a complex plan to reduce the company's retained losses from Y27.2bn. ($124m.) to Y3.5bn. in six months' time.

The plan has yet to be agreed by Mitsui Sugar's owners, among whom Mitsui and Co. accounts for 23.2 per cent. of the shares. It would require the writing off of certain debts as well as the sale of practically all Mitsui Sugar's production facilities. The company wants to sell the facilities to its "parent" and use the cash proceeds to pay off its retained losses. Mitsui Sugar would then lease back the facilities. Furthermore, the Sugar company hopes to "sell" its brand name to Mitsui and Co. for a cool Y2bn.

Complex negotiations will now get under way with Mitsui and Co., but the sugar company's executives are optimistic that they can cut their retained losses by September. In doing so, Mitsui Sugar would save itself from being de-listed from the Tokyo and Osaka stock exchanges under new, stricter requirements for listings adopted by Japanese authorities.

Profits up at Paribas

BY DAVID WHITE

PARIS, April 7.

THE PARIBAS banking and financial group pushed its net profit up last year to Frs.513m. ($112m.) from Frs.438m.

Earnings at the parent company, Compagnie Financiere de Paris et des Pays-Bas, increased to Frs.186m. from Frs.172m. The dividend is being maintained at Frs.19.95 per share, on capital increased by a fifth through a free share issue last year to Frs.1.3bn.

Although reluctant to make any forecast for results in the current year, M. Jacques de Fouchier, the chairman, told shareholders that a certain increase in economic activity and a relaxation of interest rates could be expected to have a favourable influence on the group's French banking busines.

Last year's profit increase, he said, was largely attributable to Paribas' growing diversification, both by sector and by country.

About 54.6 per cent. of 1977 profits were earned abroad, he said. Portfolio earnings contributed 46.5 per cent. of the overall total and banking and financial activities the remaining 53.5 per cent.

Alusuisse aims for more growth in U.S.

By John Wicks

ZURICH, April 7.

FUTURE EXPANSION of the Alusuisse group is to take place mainly outside the aluminium sector and in countries with weak currencies. According to Emmanuel R. Meyer, chairman of parent company Swiss Aluminium, the concern envisages that the share of the aluminium division in group turnover could be reduced from some 80 per cent. to about 50 per cent. in the next ten years.

Geographically, particular importance will also be paid to strengthening activities in the U.S. The share of U.S. sales in total group turnover could rise from about 30 per cent. at present to 50 per cent. by 1988.

At a Press conference in Zurich, Meyer said the Alusuisse group was top-heavy in the cyclical sector of light metals: in 1977, the aluminium division accounted for Sw.Frs.4.34bn. ($2.33m.) of group turnover of Sw.Frs.5.44bn. This should be corrected in future, investments in aluminium to be aimed at improving quality rather than quantity, with no starts of new aluminium-refinery construction *by Alusuisse likely within the* next five years.

The group, he explained, now has a well-founded aluminium programme, ranging from raw materials through to finished products. Last year, Alusuisse had a total annual refinery capacity of 788,000 tonnes and an average plant operating rate of 92 per cent.

Most of the group's 12.6 per cent. rise in overall sales resulted from a 16 per cent. improvement in aluminium division turnover—although most of this increase was in the first half of 1977 before the light metals market weakened again.

An important area of expansion is that foreseen for Alusuisse's chemical operations, headed by Basle subsidiary Lonza AG. Sales of chemicals and electrical current rose from Sw.Frs. 915.3m. to Sw.Frs.980.3m. in 1977. Growth is concentrated on the United States, where a number of plants are being built. Some Sw.Frs.120m. of last year's investments of Sw.Frs.300m. went to chemical projects.

But the group is also seeking what Mr. Meyer calls "strategic advances" in its mining division and is keen on expanding activities in the non-capital-intensive field of services. Last year, mining turnover slipped back slightly to Sw.Frs.534.9m. (Sw.Frs. 557.1m.) and that of miscellaneous operations, including services to Sw.Frs.215.2m. (Sw.Frs. 268m.).

Growing concern over Gen. Dynamics dispute

NEW YORK, April 7.

THE long legal batle between the Navy and General Dynamics Corporation over contracts to build nuclear submarines is generating frictions which range far beyond the original dispute.

Pentagon officials are becoming increasingly concerned about the long-term impact on other defence programmes of a dispute over general Dynamics' efforts to avoid potentially enormous losses on $1.8bn. of Navy contracts to build 18 attack submarines.

These worries surfaced recently when General Dynamics—after three years of unsuccessful attempts to renegotiate with the Navy the terms of the money losing contratcs for the attack submarines—abruptly announced a decision to stop work on the boats at its electric boat division on April 12.

The deadline has since been extended to June 12. Meanwhile delivery of the 16 submarines still to be built is already running up to 3½ years behind schedule.

Defense Department officials say the cost overruns and delays in the programme were a factor in the Carter Administration's recent decision to scale down the Navy's long-range shipbuilding plan in addition, they concede that problems with the attack submarines are contributing to delays in the deployment of Trident ballistic-missile submarines, which are also being built at General Dynamics' electric boat division.

Some Pentagon officials also worry that severe losses by General Dynamics on its submarine work could jeopardise the company's ability to perform on other important defence contracts, including the airforce's F16 fighter programme and development of the new Cruise missile. "Corporate damage to General Dynamics would be harmful to the Government," asserts Mr. William Perry, Under Secretary of Defense.

General Dynamics officials in St. Louis state that the company, which recently reported record 1977 earnings is in good financial health despite the submarine contracts problems. If the company has to take a fixed loss on the programme, "it will be a painful blow, but by no means will it be fatal," says Mr. David Lewis, the chairman.

But although General Dynamics won't accept an "unrealistic" offer, the company wants to settle the contract dispute because of the burden of the rising cost, Mr. Lewis says.

Last year General Dynamics had a 4 per cent. increase in net income to $103.4m. or $9.51 a share, and a 14 per cent. sales rise to $2.9bn. However, the company has not paid a dividend since 1970. One reason is that it has spent about $400m. of its own money on the attack-submarine programme.

Mr. Lewis says the directors would be inclined to resume paying a dividend if the firm could resolve the contract problems. Those problems also hurt the company in the stock market, analysts say. The difficulties are "a cloud overhanging the stock," according to Mr. Donald Spindel, an analyst with the St. Louis-based brokerage firm of A. G. Edwards and Sons (after reaching a high of $61.75 on the New York Stock Exchange last year, the stock slumped to a low of $37 earlier this year before rebounding to around $46 currently). But unless General Dynamics has to take a write-off because of the submarine programme the investment community expects the company to log a substantial earnings gain in 1978.

The dispute over the submarine contracts is part of a broader conflict between the Government and shipbuilders. The Navy is processing $2.7bn. of contract claims.

Filed by its major shipbuilders—General Dynamics, Newport News Shipbuilding and Dry Dock unit of Tenneco and Litton Industries, all involve charges of excessive charges and of contracts that were not flexible enough to cover cost increases resulting from inflation.

AP-DJ

Quebec approach Renault-AMC

QUEBEC, April 7.

QUEBEC has approached officials of the newly formed Renault-American Motors Corporation (AMC) partnership about the possibility of manufacturing auto parts in the Province, Industry Minister Mr. Rodrigue Tremblay disclosed.

The Minister said he expected *an answer* within two months and was optimistic that the decision by the partners to build Renaults in North America would be to Quebec's benefit.

Plans to build 100,000 Renaults annually in North America, rather than importing the cars from France, would make it economical to make parts in North America.

Quebec is well endowed with the capacity to produce the aluminum and plastic parts widely used in the manufacture of Renaults and has sure sources of cheap electricity, Mr. Tremblay said.

Although American Motors has idle plants in the U.S., the company does not have the capacity to make aluminum and plastic parts, he added.

He said that under the auto pact between Canada and the U.S., some of the company's new capacity would have to be in Canada if it expands.

Up until the signing of the agreement between Renault and American Motors last week, all Renaults sold in North America were imported from France.

Mr. Tremblay said the French company could not compete with North American producers and other imported cars and only had sales of 13,000 units in the U.S. and 6,500 in Canada last year.

AP-DJ

Ford Canada hopeful

BY JAMES SCOTT

TORONTO, April 7.

FORD MOTOR of Canada expects to improve its share of the Canadian motor car market again this year, Mr. Roy F. Bennett, the president said in reporting that sales in 1977 reached a record $C5.7bn. compared with $C4.8bn. in 1976. However because of sharp increases in operating costs the company's profits fell to $C36.7m. from $C126.2m. as pay roll and benefit expenditures rose to $C466m. from $C367m.

Mr. Bennett said the company doubled its sales in two segments of the market—compact and middle-size—and improved its share of the sub-compact and luxury segments. These improvements resulted in Ford of Canada regaining its traditional second place in new car sales after dropping to third in 1976.

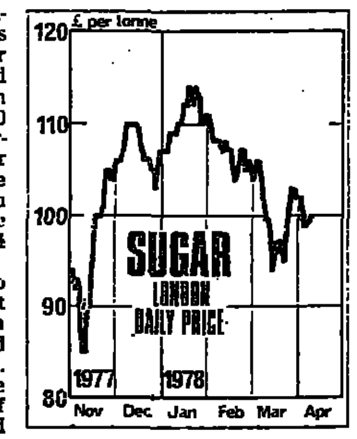
COMMODITIES/Review of the week

Cocoa hit by U.S. demand cut

BY OUR COMMODITIES STAFF

NEWS THAT U.S. cocoa grindings in the first quarter of this year were 25.5 per cent. lower than in the same 1977 period sent nearby values on the London futures market down the £40 permissible limit yesterday afternoon. But renewed consumer demand was attracted at the lower levels and July cocoa closed only £23.75 down on the day at £1,914.5 a tonne—a £54 fall on the week.

The U.S. grindings decline, to 46,368 short tons, was in fact not very much sharper than market forecast which had centred around 20 per cent. Dealers pointed out that the figure compared with a period of relatively "good" demand during 1977.



Coffee prices also fell with the July quotation ending £46.5 lower at £1,331 a tonne after slipping to a 20-month low of £1,308 at one stage. The fall was encouraged by news of cuts in the Brazilian minimum export price and export tax. Dealers seemed to ignore the fact that the net effect of these measures was to reduce export discounts and *therefore raise prices.*

Reports that the Soviet Union was reselling some of the white sugar it bought on the world market earlier this year to traditional outlets depressed sugar prices and the London daily price slipped to £98.5 a tonne before ending £2 down on balance at £100 a tonne. Sugar was also depressed by Peru selling 33,000 tonnes of raws at an export tender in mid-week.

Tin prices in Penang this week fell below the International Tin Agreement "ceiling" of $M1,500 a picul for the first time since January 1977 when the buffer stock was exhausted. The market subsequently *rallied* but was still down on the week. On the London Metal Exchange standard grade cash tin closed last night at £5,795 a tonne, £87.5 lower than a week ago, after having fallen at one stage to £5,690.

The recovery in London and Penang values followed a strong plea by representatives of tin producing countries, meeting in Jakarta, for the U.S. to make up its mind about proposals to release surplus tin from its strategic stockpile.

Producing countries also reaffirmed their intention to seek an increase in the International Tin Agreement "floor" and "ceiling" price range when the Tin Council meets in London next week. A sudden reduction in offerings in the Penang market, which forced prices sharply back over the agreement ceiling is thought to be inspired by the fact that it would be much more difficult to argue the case for a rise in the range, if market values fell below the ceiling.

Zinc values on the Metal Exchange were boosted to the highest level since last July by announcements of further production cuts by leading European smelters, and strikes hitting the Belgian producers.

The cutbacks in production, and rise in Metal Exchange values, triggered off rumours that the official European producer price, at which the bulk of zinc is sold, might be raised from $550 to $600 a tonne despite the huge surplus stocks available. When this failed to materialise, there was some profit-taking sales, but cash zinc yesterday still closed £13.5 up on the week at £303.75 a tonne.

WEEKLY PRICE CHANGES

MARKET REPORTS

BASE METALS

COPPER—Lower on the London Metal Exchange as forward metal came off from £725 to £712.5 when it looked as if expectations of a stocks decline would not be realised. Comex was lower in [illegible]

SILVER

Silver was fixed 4.5p an ounce lower for spot delivery in the London bullion market [illegible]

COCOA

COFFEE

GRAINS

COTTON

RUBBER

SOYABEAN MEAL

SUGAR

WOOL FUTURES

MEAT/VEGETABLES

HONG KONG FUTURES. Report for week April 7, 1978: Prices were about maintained in light trading. Friday's close (cents per lb), May 7.95-8.21, July 8.25-8.33, Sept. 8.50-8.65, Oct. 8.50-8.65, Jan. 8.91-9.03, March 9.39-9.49. Business: May 7.99, Sept. 8.55, Oct. 8.78-8.50. Sales: 17 (23) lots.

EEC IMPORT LEVIES—The following [illegible]

U.S. Markets

NEW YORK, April 6.

Cocoa—May 138.75 (139.75), July 135.90 (154.56), Sept. 150.65, Dec. 145.10, March 141.10, May 138.50, July 138.15. Sales: 1,002.

Coffee—"C" Contract: May 169.30-169.75 (166.00), July 151.25-151.30 (148.20), [illegible]

Nov. 244.00 asked, Dec. 244.00 asked.

§§Wheat—SCWRS 13.5 per cent. protein content cif St. Lawrence 168.26 (167.04).

All cents per pound ex-warehouse unless otherwise stated. *$s per troy ounces—100 ounce lots. † Chicago loose $s per 100 lbs—Dept. of Ag. prices previous day. Prime Steam f.o.b. NY bulk tank cars. ‡ Cents per 56 lb bushel ex-warehouse, 5,000 bushel lots. § $s per troy ounce for 50 ounce units of 99.9 per cent. purity delivered NY. ¶ Cents per troy ounce ex-warehouse. ‖ New "B" contract in $s a short ton for bulk lots of 100 short tons delivered f.o.b. cars Chicago, Toledo, St. Louis and Alton. ** Cents per 59 lb bushel in store. †† Cents per 24 lb bushel. ‡‡ Cents per 48 lb bushel ex-warehouse. §§ Cents per 58 lb bushel ex-warehouse, 1,000 bushel lots. ¶¶ $C per tonne.

EEC sugar export tender

BRUSSELS, April 5.

THE EEC Commission authorised sales of 35,500 tonnes of white sugar at its weekly open market export tender to-day, reports Reuter. No raw sugar exports were authorised. Last week export rebates were granted on 35,500 tonnes of whites and 5,000 *tonnes of raws.*

This week's SE dealings

Friday, April 7	4,971	Wednesday, April 5	4,844	Monday, April 3	4,839
Thursday, April 6	5,984	Tuesday, April 4	5,414	Thursday, March 30	5,826

The list below records all yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latter can be distinguished by the date (in parentheses).

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in pence and fractions of pence.

The list below gives the prices at which bargains done by members of The Stock Exchange have been recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. Φ Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—Singapore; $US—$United States; $WI—$West Indian.

BRITISH FUNDS (340)

[illegible]

SHORT DATED BONDS FREE OF STAMP DUTY

[illegible]

CORPORATIONS (59)

FREE OF STAMP DUTY

[illegible]

PUBLIC BOARDS (29)

FREE OF STAMP DUTY

[illegible]

FOREIGN CORPS. (—)

REGISTERED AND INSCRIBED STOCKS

[illegible]

FOREIGN STOCKS (3)

[illegible]

U.K. & COMMONWEALTH RLWY. (—)

[illegible]

BANKS (167)

[illegible]

Union Discount London 294. New 295. Wintrust (20p) 62 (6/4)

BREWERIES (147)

Allied Breweries (25p) 88½Φ 7 ½ 6 ½ 8½. 5½pcPf. 47½. 7½pcPf. 64½. 3pcDb. 45½ (6/4). 3¼pcDb. 41Φ. 4¼pcDb. 1975-80 90 (3/4). 4¼pcDb. 1979-84 73Φ. 5½pcDb. 75½ (5/4). 6¼pcDb. 1984-89 69¼ (6/4). 6¼pcDb. 1987-92 63¾ (3/4). 7¼pcDb. 69¼Φ 9 ¼ 7½pc Ln. 54 (4/4). 7¼pcLn. 65

Amalgamated Distilled Prods. (10p) 38Φ

Bass Charrington (25p) 155½Φ 6 5 7. 3¼pcDb. 1977-79 93½. 3¼pcDb. 1987-92 47 (6/4). 8¼pcDb. 1977-79 97¼ ¼ (6/4). 8¼pcDb. 1987-92 75Φ. 4½pcLn. [illegible]

[illegible]

CANALS & DOCKS

[illegible]

COMMERCIAL (2,725)

A—B

[illegible]

Appleyard Grp. (25p) 83 ½
Aquascutum A (5p) 33Φ
Arenson (A.) (Hldgs.) (10p) 36 (4/4)
Arlington Motor Hldgs. (25p) 113 (6/4)
Armitage Shanks Grp. (25p) 64Φ ½
Armstrong Equipment (10p) 60
Ash, Lacey (25p) 112½Φ ¼ (6/4)
Associated Biscuit Manufact. (20p) 79 85 76½ (6/4). 7¾pcDb. 72½ (5/4). 6½pcLn. 85Φ 5
Associated Book Publishers (20p) 192. 7½pcPf. 53 (3/4)
Associated British Foods (5p) 59. 6½pcDb. 78½ (6/4). 5½pcLn. 23. 7½pcLn. 1987-2002 30Φ ½
Associated Dairies (25p) 235Φ 28½ 7 8 32 25 30

[illegible]

C—D

[illegible]

Central Sheerwood (5p) 51Φ 50½ 1½ 1 2
Central Manufacturing (10p) 68½ (6/4)
Centreway (50p) 216 (6/4). 11pcPf. 108 (6/4)
Chamberlain Grp. (25p) 46 7 (6/4)
Chamberlain Phipps (10p) 40
Change Wares (10p) 16½ (6/4). 12pcPf. (10p) 17½ (6/4)
Channel Tunnel Invest. (5p) 58Φ 60 (6/4)
Charringtons 6pcLn. 53½ (6/4)
Chloride Grp. (25p) 96
Christies Int. (10p) 93 1½ ½
Christie-Tyler (10p) 72 (6/4)
Christy Bros. (25p) 38¼Φ ½Φ
Chubb Son (20p) 128 30

[illegible]

E—F

[illegible]

G—H

Gen. Engineering (Radcliffe) (10p) 19 20 ½ (5/4)
General Motors Corpn. ($US1⅔) 47⅛ (6/4)
Gestetner Hldgs. A (25p) 176
Gibbons Dudley (25p) 68½Φ 8Φ (6/4)
Gibbons (Stanley) Intl. (25p) 181Φ
Gibbs Dandy NV A (10p) 28Φ
Giddings Lewis-Fraser 4½pcLn. 60
Gieves Grp. (25p) 103Φ 2 4
Gill Duffus Grp. (25p) 228 9 7½ 6
Giltspur (10p) 54½Φ 5Φ 3½
Glass Metal Hldgs. (10p) 70
Glaxo Grp. 6¼pcLn. (50p) 29½
Glaxo Hldgs. (50p) 530 4. 7½pcLn. 117‡
Gleeson (M. J.) (Contractors) (10p) 46 (6/4)

[illegible]

I—J—K

[illegible]

L—M

[illegible]

N—O—P

[illegible]

Pullman (R. and J.) (5p) 87Φ (6/4)
Pye Hldgs. (25p) 102Φ 1Φ 3½Φ 99 102
Pyke (W. J.) (Hldgs.) (10p) 30 (6/4)

Q—R—S

Queens Moat Houses (5p) 32½Φ 3½ 4 3¼ 3
Quick (H. and J.) (5p) 50½Φ 1 (6/4)

RED Group (10p) 56Φ (6/4)
Racal Electronics (25p) 213½Φ 16 77 14½‡ 15½‡ 18
Radiant Metal Finishing (12½p) 27 (5/4)
Raine Eng. Industs. (10p) 12½ (4/4)
Rakusen Group (10p) 17 (4/4)
Randall (J. and L.) (10p) 60 ½ (4/4)

[illegible]

T—U—V

[illegible]

Telefusion (5p) 36. A (5p) 33Φ
Telephone Rentals (25p) 122Φ
Tenneco 10pcLn. 136 (6/4)
Tesco Stores (Hldgs.) (5p) 42½Φ ½Φ 2 1
Tex Abrasives (10p) 61 (6/4)
Textured Jersey (10p) 24 (4/4)
The Times Veneer (5p) 8½ (4/4)
Thermal Syndicate (25p) 112 (6/4)
Thomson Org. (25p) 227 5 7. 4.72pcPf. (3/4). 5.83pcPf. 64½. 21.7pcPf. 64 3½. 3pcDb. 57¼Φ. 6¼pcDb. 79Φ
Thorn Elec. Inds. (25p) 355Φ 7½Φ 6 7 54. 5pcLn. 106½ 5 3½
Thorpe (F. W.) (10p) 66Φ (6/4)
Thurgar Bardex (10p) 15 (4/4)
Tiger Oats Natl. Milling (R1) 545 (4/4)

F.T.-ACTUARIES SHARE INDICES

QUARTERLY VALUATION

The market capitalisation of the sub-sections of the F.T.-Actuaries shares indices as at March 31, 1978, expressed below in millions of pounds and as a percentage of the All-Share Index. Similar figures are also provided for Dec. 30, 1977, both before and after the year-end changes.

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses denote number of stocks)	Market capitalisation as at March 31, 1978 (£m.)	% of all share index	Market capitalisation as at Dec. 30, 1977 (£m.) †	% of all share index	Market capitalisation as at Dec. 30, 1977 (£m.)	% of all share index
1	**CAPITAL GOODS GROUP (170)** ...	8.182.9	15.09	8.467.3	15.03	8.522.5	15.13
2	Building Materials (27) ...	1.449.2	2.67	1,533.4	2.72	1.598.8	2.84
3	Contracting and Construction (26) ...	807.5	1.49	859.7	1.52	859.7	1.52
4	Electricals (15) ...	2.108.2	3.89	2,245.4	3.99	2,245.4	3.99
5	Engineering Contractors (14) ...	434.4	0.80	382.9	0.68	—	—
	Engineering (Heavy) (9) ...	—	—	—	—	299.2	0.53
6	Mechanical Engineering (71) ...	2,274.6	4.19	2,349.3	4.17	—	—
	Engineering (General) (67) ...	—	—	—	—	2,675.0	4.75
	Machine and Other Tools (8) ...	—	—	—	—	107.6	0.19
8	Metals and Metal Forming (17) ...	1.109.0	2.05	1.096.6	1.95	—	—
	Miscellaneous (20) ...	—	—	—	—	736.8	1.31
11	**CONSUMER GOODS (DURABLES) GROUP (52)** ...	2.399.8	4.42	2.512.5	4.46	2.484.6	4.41
12	Lt. Electronics, Radio and TV (15) ...	1.340.9	2.47	1,408.2	2.50	1,408.2	2.50
13	Household Goods (12) ...	204.8	0.38	221.3	0.39	221.3	0.39
14	Motors and Distributors (25) ...	854.1	1.57	883.0	1.57	865.1	1.52
21	**CONSUMER GOODS (NON-DURABLES) GROUP (176)** ...	15.143.5	27.93	15.720.1	27.91	15,314.5	27.19
22	Breweries (14) ...	1.644.3	3.03	1,693.3	3.01	1,693.3	3.01
23	Wines and Spirits (6) ...	777.8	1.43	815.0	1.45	815.0	1.45
24	Entertainment and Catering (17) ...	1.220.8	2.25	1,144.7	2.03	1,144.7	2.03
25	Food Manufacturing (22) ...	2.338.9	4.32	2.537.5	4.51	2,537.5	4.51
26	Food Retailing (16) ...	887.7	1.64	1,020.1	1.81	1,020.1	1.81
32	Newspapers and Publishing (13) ...	494.8	0.91	530.4	0.94	530.4	0.94
33	Packaging and Paper (15) ...	826.2	1.52	848.5	1.51	442.9	0.79
34	Stores (39) ...	4.239.1	7.82	4.457.1	7.91	4,457.1	7.91
35	Textiles (25) ...	935.4	1.73	940.3	1.67	940.3	1.67
36	Tobacco (3) ...	1.691.1	3.12	1.647.1	2.92	1.647.1	2.92
37	Toys and Games (6) ...	87.4	0.16	86.1	0.15	86.1	0.15
41	**OTHER GROUPS (97)** ...	8.507.1	15.69	8,850.6	15.72	9,228.9	16.39
42	Chemicals (19) ...	2.928.1	5.40	3.008.2	5.34	4,913.4	8.72
43	Pharmaceutical Products (7) ...	1.782.0	3.29	1,909.5	3.39	—	—
44	Office Equipment (6) ...	588.6	1.09	567.2	1.01	567.2	1.01
45	Shipping (10) ...	588.5	1.08	650.3	1.16	650.3	1.16
46	Miscellaneous (unclassified) (55) ...	2.619.9	4.83	2.715.4	4.82	3.098.0	5.50
49	**INDUSTRIAL GROUP (495)** ...	34,233.3	63.13	35,550.5	63.12	35,550.5	63.12
51	Oils (5) ...	6.027.9	11.12	6.305.3	11.19	6.305.3	11.19
59	**500 SHARE INDEX** ...	40.261.2	74.26	41,855.8	74.31	41,855.8	74.31
61	**FINANCIAL GROUP (100)** ...	9.465.2	17.46	9 778.2	17.36	9,778.2	17.36
62	Banks (6) ...	2,569.5	4.74	2,561.6	4.55	2,561.6	4.55
63	Discount Houses (10) ...	120.1	0.22	141.3	0.25	141.3	0.25
64	Hire Purchase (5) ...	196.7	0.36	218.1	0.39	218.1	0.39
65	Insurance (Life) (10) ...	1,026.3	1.89	1,036.5	1.84	1,036.5	1.84
66	Insurance (Composite) (7) ...	2,459.5	4.54	2,611.2	4.64	2,611.2	4.64
67	Insurance (Brokers) (10) ...	772.0	1.42	757.2	1.34	757.2	1.34
68	Merchant Banks (14) ...	361.0	0.67	386.8	0.69	386.8	0.69
69	Property (31) ...	1,570.3	2.90	1.658.4	2.94	1.658.4	2.94
70	Miscellaneous (7) ...	389.8	0.72	407.1	0.72	407.1	0.72
71	Investment Trusts (50) ...	2,392.9	4.41	2.634.2	4.68	2,634.2	4.68
81	Mining Finance (4) ...	1,006.4	1.86	944.1	1.68	944.1	1.68
91	Overseas Traders (19) ...	1,097.2	2.02	1.110.0	1.97	1,110.0	1.97
99	**ALL-SHARE INDEX (673)** ...	54.222.9	100	56.322.3	100	56,322.3	100

† After allowances made for year-end changes.

EUROPEAN OPTIONS EXCHANGE

Option	Price	July Close	July Vol.	Oct. Close	Oct. Vol.	Jan. Close	Jan. Vol.	Equity close
E. Kodak	$40	—	—	—	—	—	—	$45⅛
E. Kodak	$45	—	—	2½	10	—	—	"
E. Kodak	$50	—	—	1	43	—	—	"
IBM	$240	9⅛	1	12⅛	17	—	—	$240⅛
IBM	$260	—	—	4½	3	—	—	"
IBM	$280	—	—	—	—	—	—	"
GM	$50	—	—	11⅝	5	—	—	$61½
GM	$60	2⅝	5	3½	6	—	—	"
GM	$70	—	—	—	—	—	—	"
Philips	F22.50	4.10	2	4	7	—	—	F25.50
Philips	F25.00	1.70	17	1.90	87	—	—	"
Philips	F27.50	0.50	45	0.80	146	—	—	"
R. D. Shell	F120	8.50	16	8.50	8	—	—	F127.40
R. D. Shell	F130	2.40	10	3.60	65	—	—	"
R. D. Shell	F140	0.70	12	1	37	—	—	"
Unilever	F110	9.20	7	9.60	10	—	—	F.118.1[illegible]
Unilever	F120	2.20	3	2.70	24	—	—	"
Unilever	F130	—	—	1.0	43	—	—	"
		May		**August**		**November**		
BP	700p	65	8	85½	7	94⅞	9	759p
BP	750p	28⅛	12	52	15	64½	8	"
BP	800p	9¼	9	41½	8	41½	6	"
ICI	300p	64	9	70	7	69	9	358p
ICI	325p	39¼	6	46¾	8	48⅜	10	"
ICI	350p	19	7	28⅞	7	32⅛	6	"
ICI	375p	6⅛	9	15	8	21	2	"
GEC	200p	54	6	58½	6	60½	7	247p
GEC	225p	30⅛	8	37	8	41⅝	9	"
GEC	250p	12¼	7	22	7	28⅝	8	"
GEC	275p	3⅞	9	11⅛	6	17⅝	7	"

FINANCE FOR INDUSTRY TERM DEPOSITS

Deposits of £1,000-£25,000 accepted for fixed terms of 3-10 years. Interest paid gross, half-yearly. Rates for deposits received not later than 14.4.78.

Terms (years)	3	4	5	6	7	8	9	10
Interest %	9½	10	10½	10¾	11	11¼	11½	11¾

Rates for larger amounts on request. Deposits to and further information from The Chief Cashier, Finance for Industry Limited, 91 Waterloo Road, London, SE1 8XP (01-928 7822, Ext. 177). Cheques payable to "Bank of England, a/c FFI." FFI is the holding company for ICFC and FCI.

ELECTRIC LIGHT (3)

FINANCIAL TRUSTS (45)

GAS (9)

INSURANCE (31)

INVESTMENT TRUSTS (216)

W—Y—Z

Wolseley-Hughes (25p) 189● (6/4)
Wolstenholme Bronze (25p) 180 1 80½ (4/4)
Wood (5p) 34●
Wood (A.) (5p) 31½
Wood Hall Trust (25p) 89● 8 91 90 (6/4)
Wood (S. W.) (20p) 37
Woodhead (25p) 96. 9½pcLn. 68 (6/4)
Woolworth (25p) 65 4½ 4 5½
Wormalds Walker 9pcLn. 47 (3/4)
Wrighton (10p) 20 (3/4). 5½pcPf. 30 (3/4)
Wyatt (5p) 10
York Trailer (10p) 56 (4/4). 10pcPf. 109●
Yorkshire Chemicals (25p) 84 3
Yorkshire Fine Woollen Spinners (20p) 41●
Youghal Carpets (25p) 42

British Invest. Tst. (25p) 147 8
Broadstone (20p) 130● 28● 9● (6/4)
CLRP Invest. Tst. Wrrts. 14 (4/4)
Caledonian Tst. (25p) 67● 7. 5pcPf. 44● (6/4). 6pcDb. 68½ (6/4)
Canadian Foreign Invest. Tst. (25p) 97½ 8 (6/4)
Capital National Tst. (25p) 114 (5/4)
Cardinal Tst. Dfd. (25p) 99●. 6pcLn. 81½● 2½● 3
Carliol Invest. Tst. (25p) 101 (6/4). 4½pc Ln. 85½ (6/4)
Cedar Invest. Tst. (25p) 61½ (5/4)

Scottish Western Inv. (25p) 84½ 5 (25p) 70●. 4½pcPf. 38½● ½. 3½pcDb. 25¼ (4/4)
Second Alliance Tst. (25p) 174●
Second Broadmount Tst. (5p) 32●
Second Great Northern Inv. Tst. (25p) 74½
Shires Inv. (50p) 123 (6/4)
Stewell European Inv. Tst. (10p) 66½ (4/4)
Sphere Inv. Tst. (25p) 100½ 99. 5pcPf. 41½●. 5½pcDb. 76½● (6/4)
Sterling Tst. (25p) 155●
Stockholders Inv. Tst. (25p) 73● 2● (6/4)
Technology Inv. Tst. (25p) 86½
Temple Bar Inv. Tst. (25p) 67● 6● 5½. New (25p) 67●
Throgmorton Secured Growth Tst. (25p) 23 (6/4). Cap. 65 (6/4)
Throgmorton Tst. (25p) 68½
Tor Inv. Income (25p) 71½. Do. Capital
Tor Inv. Income (25p) 71½ (6/4). Do. Capital 103 (6/4)
Tribune Inv. New (25p) 64 (6/4)
Triplevest Cap. 175● 4● 2● 7 (6/4)
Trustees Corp. (25p) 122 (4/4). 4½pcPf. 37● (6/4)
Tyneside Inv. (25p) 101 (6/4)
United British Securities (25p) 112½● 13
United States General Tst. Corp. (25p) 166 (3/4)
United States Deb. Corp. (25p) 85½● 4 6 ½
View Forth Inv. (25p) 48 (3/4)
Viking Resources (25p) 80● 79
Wemyss Inv. 275● (6/4)
West Coast Texas Tst. (10p) 66½ (3/4)
Witan Inv. (25p) 76● 5● 6½● 7 6 (6/4). 5¼pcDb. 64 (6/4). 8pcDb. 89½ (6/4)
Yeoman Inv. (25p) 153½
Young Companies Inv. 73½ (4/4)

UNIT TRUSTS (22)

PRICE IS INCLUSIVE OF STAMP & FEE

M G American Income 45.2● 45.1 45.4. Do. Accumulation 45.9● 46.3
M G Australasian Accum. 45.5● 45 11/16
M G Conversion Income 59.1●

IRON, COAL & STEEL (17)

MINES

Australian (1)

Miscellaneous (43)

Rhodesian (5)

South African (45)

West African (1)

Diamond (13)

OIL (202)

PROPERTY (100)

RUBBER (17)

TEA (6)

SHIPPING (38)

TELEGRAPHS (—)

WATERWORKS (19)

SPECIAL LIST

Business done in securities quoted in the Monthly Supplement.

RULE 163 (1) (e)

Bargains marked in securities which are quoted or listed on an overseas Stock Exchange.

Matheson Inv. 7½pcCnv. £94
New Metal 1½●
Oakbridge Secs. 152
Philips Dodge $US22⅞
Philip Morris £45⅜
Searle (G. D.) $US12●
Sthrn. Pac. Props. 8½
Std. Oil Indiana £35¼●
Texas Instrument £49 9/32
Tri Continental $US18¼●
Wheelock Marden A 39¼● 40● 39

APRIL 5

Algoma Central Rwy. £10 7/16
Anglo United 85
Assocd. Manganese £17½●
Australian Oil and Gas 28
Bougainville Copper 102 1

Northern Mng. 41
Oil Search 7¼● ¼
Pahang Cons. 48
Pancontinental 917:● 20:●
Phillips Pets. $US28¼●
Richton Intnl. 505●
Thomas Nationwide 78●
Timor Oil 3:●
Wheelock Marden A 39½
Woodside Pets. 66
Yukon Cons. 150●

RULE 163 (2) (a)

Applications granted for specific bargains in securities not listed on any Stock Exchange.

APRIL 4

Blyth Greene Jourdain 173
Burrough (James) 107
Clairmace 34
Corinthian Hldgs. 10pcCnv.Sub.Uns.Ln. 1992 £70
East Anglian Securities Hldgs. 100 98½
Eldridge Pope A 183 175
Heavitree Brewery A 400 397
Grampian Television 40

RULE 163 (3)

Bargains marked for approved companies engaged solely in mineral exploration.

MARCH 31

CCP North Sea Associates 932 930 925 900
Cluff Oil 378
Siebens Oil and Gas (U.K.) 268 266½ 266¼ 261 260 256 254

(By permission of the Stock Exchange Council)

GOLD MARKET

	April 6	April 7
Gold Bullion (a fine ounce)		
Close	$179-179¾	$179¾-180½
Opening	$180-180¾	$181½-182¼
Morning fix'g	$179.25 (£95.677)	$182.00 (£97.025)
Aftern'n fix'g	$179.10 (£95.444)	$181.00 (£96.487)
Gold Coin domestically		
Krugerrand	$184-186 (£98¼-99¼)	$186¾-188¾ (£99¾-100¾)
N'w Sov'gns.	$55¼-57¼ (£29½-30½)	$56-58 (£30-31)
Old Sov'rgns	$57¼-59¼ (£30½-31½)	$57¼-59¼ (£29½-30½)
Gold Coins (internat'lly)		
Krugerrand	$184-186 (£98¼-99¼)	$185-187 (£98¾-99¾)
NewSov'rgns	$55¼-57¼ (£29½-30½)	$55-57 (£29¼-30¼)
Old Sov'rgns	$57¼-59¼ (£30½-31½)	$57¼-59¼ (£29½-30½)
$20 Eagles	$289-292	$290¼-293¼

CURRENCY RATES

	Special Drawing Rights April 6	European Unit of Account April 6
Sterling	0.662048	0.674843
U.S. dollar	1.24081	1.26463
Canadian	1.41266	1.43981
Austria sch	17.9979	18.3248
Belgian franc	39.0607	39.8107
Danish krone	6.89094	7.02459
Deutschem'rk	2.49912	2.54736
Dutch guilder	2.67208	2.72517
French franc	5.64817	5.75870
Italian lira	1055.28	1075.51
Japanese yen	271.613	276.655
Norway krone	6.61104	6.74472
Spain peseta	98.8975	100.761
Swedish krone	5.67733	5.78434
Swiss franc	2.30605	2.34927

MONEY + EXCHANGES

Bill rate steady

Bank of England Minimum Lending Rate 6½ per cent. (since January 6, 1978)

The Treasury bill rate was almost unchanged at yesterday's tender, falling by 0.0001 per cent. to 5.9961 per cent. Bank of England Minimum Lending Rate was unchanged at 6½ per cent., and the minimum accepted bid was also unchanged at £98.50½. Bids at that level were met as to about 84 per cent., compared with 93 per cent. for £800m. bills previously. The £300m. bills tendered and allotted attracted bids of £356.42m., and all bills offered were allotted. Next week a further £300m. will replace a similar number of maturities.

Day-to-day credit appeared in plentiful supply in the London money market and the authorities removed the surplus by selling an exceptionally large amount of Treasury bills, all direct. Indications were that the action may have been slightly overdone leaving run-down balances for Monday.

The market was faced with an increase in the note circulation but this was more than outweighed by substantial net maturing Treasury bills and a large excess of Government disbursements over revenue transfers to the Exchequer. Bank balances were also a little up from Thursday.

Discount houses paid around 5 per cent. for secured call loans at the start, and rates fell to close at 3-3½ per cent. In the interbank market, overnight loans opened at 4½-4¾ per cent. and eased to 3¾-4 per cent. on news of the day's surplus. Most of the day's business was done at this level and rates tailed off towards the close to around a nominal 2 per cent.

Rates in the table below are nominal in some cases.

Apr. 7 1978	Sterling Certificate of deposits	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposit	Treasury Bills ⊕	Eligible Bank Bills ⊕	Fine Trade Bills ⊕
Overnight	—	2-4¾	—	—	—	4¼	3-5	—	—	—
2 days notice	—	—	5¼-5¾	—	—	—	—	—	—	—
7 days or 7 days notice	—	4¾-4⅞	5⅝-5⅞	—	5⅞-6¼	5¼	4½-5¼	—	—	—
One month	6 1/16-6 1/16	6⅛-6¼	5¾-6¼	6⅝-6⅝	6⅜-6⅝	6⅝	5¾	5⅞-5 13/16	6 1/16-6⅛	6¾-7
Two months	6 5/16-6 3/16	6 5/16-6 7/16	—	6¾-6⅝	6⅞-7¼	—	6-6⅛	5 15/16	6½-6 7/16	7¼
Three months	7 1/16-6⅞	7-7⅛	6¾-7⅛	7-6⅞	7¼-7⅛	7⅜	6¼	6 3/32	6 15/16	7⅜
Six months	7⅝-7½	7¾-7⅞	7¼-7¾	7⅛-6⅝	7⅞-8¼	—	—	—	7⅛	7½-7¾
Nine months	8 1/16-7 15/16	8-8⅛		8¼-7⅞	8⅛	—	—	—	—	—
One year	8 1/16-7 15/16	8⅜-8½	8-8⅜	8½-8	8¾	—	—	—	—	—
Two years	—	—	9⅛-9⅜	—	—	—	—	—	—	—

Local authorities and finance houses seven days' notice, others seven days' fixed. Long-term local authority mortgage rate nominally three years 10⅝-10⅞ per cent.; four years 10⅞-11 per cent.; five years 11-11¼ per cent. ⊕ Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 7¼ per cent.; four-month trade bills 7¾ per cent.

Approximate selling rates for one-month Treasury bills 5⅞-5 15/16 per cent.; two-month 5 29/32 per cent.; and three-month 5 15/16-6 per cent. Approximate selling rate for one-month bank bills 5 7/8-5 15/16 per cent.; two-month 6-6 1/16 per cent.; and three-month 6 1/32-6⅛ per cent. One-month trade bills 6¾-6⅞ per cent.; two-month 7 per cent.; and also three-month 7-7⅛ per cent.

Finance House Base Rates (published by the Finance Houses Association) 7 per cent. from April 1, 1978. Clearing Bank Deposit Rates (for small sums at seven days' notice) 3 per cent. *Clearing Bank Base Rate for lending 6½ per cent.* Treasury Bills: Average tender rates of discount 5.9961 per cent.

EXCHANGES AND BULLION

Once again conditions in yesterday's foreign exchange market proved to be subdued with very little business seen ahead of the week-end and Tuesday's Budget. Sterling traded quietly within a *range of $1.8710-1.8780. It opened* at $1.8740-1.8750 and eased to $1.8710-1.8720 before recovering to close at $1.8740-1.8750, a rise of 5 points. The Bank of England's calculation of the pound's trade weighted index, finished unchanged at 62.2, *having stood at* 62.2 at noon and 62.1 in early dealings.

Trading in the U.S. dollar remained at a low level with the currency closing at DM2.0160 from 2.0145 in terms of the West German mark; and Sw.fr.1.8675 against Sw.fr.1.8660 for the Swiss franc. *Using Bank of England* figures, the dollar's index improved slightly to 88.4 from 88.3 on Thursday. Morgan Guaranty's calculation of the dollar trade weighted average depreciation, using noon rates in New York, narrowed to 6.19 per cent. from *6.42 per cent. previously.*

The Canadian dollar lost ground and *closed against the U.S. dollar* equal to its record low of 87.66½ U.S. cents from 87.61½ U.S. cents. Gold opened at its best level of $180-180¾ an ounce and drifted lower throughout the day down to $178½-179 before recovering to $179-179¾ *at the close. Later deal*ings in New York saw the metal weaker in generally quiet trading.

The Krugerrand's premium over its gold content narrowed to the common close at 3.13 per cent. over 4.23 per cent. in international *dealings and 3.26 per cent.* domestically.

FOREIGN EXCHANGES

April 7	Bank Rates %	Market Rates: Day's Spread	Close
New York	6½	1.8710-1.8780	1.8740-1.8750
Montreal	8½	2.1275-2.1380	2.1370-2.1380
Amsterdam	4½	4.02-4.05½	4.02¾-4.03½
Brussels	5½	58.85-59.20	58.90-59.00
Copenhagen	9	10.41-10.47¾	10.44-10.45
Frankfurt	3	3.76½-3.80	3.77¾-3.78½
Lisbon	15	76.50-77.50	77.05-77.45
Madrid	8	149.05-149.45	149.30-149.45
Milan	11½	1,589-1,599	1,594½-1,595½
Oslo	8	9.97½-10.01	9.98½-9.99½
Paris	9½	8.50-8.54	8.50¾-8.51½
Stockholm	8	8.58-8.61	8.59-8.60
Tokyo	3½	408-418	411-413
Vienna	5½	27.05-27.50	27.20-27.30
Zurich	1	3.48-3.52½	3.49½-3.50½

†Rates given are for convertible francs. Financial franc 59.00-59.20.

OTHER MARKETS

			Notes Rates
Argentina	1365-1368	Argentina	1300-1400
Australia	1.6247-1.6410	Austria	26.5-28.0
Brazil	31.18-32.18	Belgium	58-59½
Finland	7.79½-7.80½	Brazil	35-40
Greece	67.952-69.025	Canada	2.13-2.15
Hong Kong	8.6425-8.6700	Denmark	10.3-10.5
Iran	130-134	France	8.45-8.60
Kuwait	0.508-0.518	Germany	3.70-3.85
Luxemb'rg	58.90-59.00	Greece	66-72
Malaysia	4.4195-4.4315	Italy	1570-1620
N. Zealand	1.8159-1.8320	Japan	405-425
Saudi Arab	6.40-6.50	Netherl'nd	3.95-4.10
Singapore	4.3200-4.3555	Norway	9.90-10.5
S. Africa	1.6155-1.63892	Portugal	72-78
U.S.		Spain	147½-150
Canada		Switz'land	3.40-3.58
U.S.		U.S.	1.86½-1.88
U.S. cents	87.65-87.68	Yugoslavia	35½-37

Rate given for Argentina is a free rate.

EXCHANGE CROSS-RATES

April 7	Frankfurt	New York	Paris	Brussels	London	Amst'd'm	Zurich
Frankfurt	—	2.0165-75	44.30-40	6.40-41	3.78 79	93.60-70	1 8.10-20
New York*	49.68-71	—	22.04-08	3.1775-1825	1.8750-8760	46.51-56	53.66 76
Paris	225.40 90	4.551-563	—	14.44-474	8.523-543	211.01-51	2.3.45 95
Brussels	15.58-63	31.47-52	6.90-93	—	58.93-59.08	14 59-64	16.82-89
London	3.77¾-78½	1.874-876	8.50¾-1½	58.90-59.0	—	4.02¾-03½	3.49½-50½
Amst'dam	106.72-775	2.1567-92	47 33-380	6.365-8415	4.038-0448	—	115.185-235
Zurich	2 1549-453	1.866-860	40.7688-901	5.8871-9038	3.483-4918	86.1253-371	—

U.S. $ in Toronto U.S. $=115.71-76 Canadian cents. Canadian $ in New York=87.90-92 cents. U.S. $ in Milan 851.20-50. Sterling in Milan 1595.50-1596.0. *Rates for April 6.

EURO-CURRENCY INTEREST RATES*

April 7	Sterling	Canadian Dollar	U.S. Dollar	Dutch Guilders	Swiss franc	W. German mark
Short term	5⅜-6⅞	7-8	6¾-7	5¼-5½	¼-⅝	3 1/16-3 5/16
7 days notice	6½-7	7-8	6¾-7	5¼-5½	¼-⅝	3 1/16-3 5/16
Month	7-7¼	7⅜-7¾	7-7¼	5-5¼	1/16-5/16	3¼-3⅜
Three months	7⅝-7⅞	7⅞-8¼	7¼-7½	4⅞-5⅛	1/16-5/16	3¼-3⅜
Six months	8⅜-8⅝	8¼-8⅝	7⅝-7⅞	4¾-5	⅜-⅝	3¼-3⅜
One year	8⅝-8⅞	8½-8⅞	7⅞-8⅛	5⅛-5⅜	⅞-1⅛	3 5/16-3 9/16

Euro-French deposit rates: two-day 8 9/16-8 11/16 per cent.; seven-day 8 11/16-8 15/16 per cent.; one-month 9¼-9⅞ per cent.; three-month 9 5/16-9 7/16 per cent.; six-month 9¼-9⅝ per cent.; one-year 10⅛-10⅝ per cent.

Long-term Eurodollar deposits: two years 8 1/16-8 3/16 per cent.; three years 8¼-8⅝ per cent.; four years 8¼-8⅝ per cent.; five years 8 7/16-8 9/16 per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one-month 7.05-7.15 per cent.; three-month 7.20-7.30 per cent.; six-month 7.50-7.60 per cent.; one-year 7.65-7.75 per cent.

*Rates are nominal calling rates.

Short-term rates are call for sterling, U.S. dollars and Canadian dollars, two *days' notice for guilders and Swiss francs.*

FORWARD RATES

	One month	Three months
New York	.05 c.pm-.05 c.dis	0.18-0.08 c.pm
Montreal	0.05-0.15 c. dis	0.20-0.30c. dis
Amst'dam	1 c. pm-par	3-2 c. pm
Brussels	15-5 c.pm	35-20c. pm
Cop'nhgn.	7¼-9¼ ore dis	17¾-19¾ ore dis
Frankfurt	1¾-¾ pf. pm	4½-3½ pf. pm
Lisbon	60-170 c. dis	320-560c. dis
Madrid	par-80 c. dis	120-200c. dis
Milan	5-11 lire dis	18-26 lire dis
Oslo	7¾-9¾ ore dis	17¾-19¾ ore dis
Paris	1-2 c. dis	3-4c. dis
St'kholm	1½-3½ ore dis	4-6 ore dis
Vienna	3gro pm-7gro dis	par-10 gro dis
Zurich	2⅝-1⅝ c. pm	6⅝-5⅝ c. pm

Six-month forward dollar 0.53-0.43c pm 12-month 1.20-1.10c pm.

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Barking (01-592 4500)	8½	½-year	5,000	2
Barnsley Metro. (0226 203232)	10	½-year	250	4-7
Reading (0734 592337)	12	maturity	1,000	7
Reading (0734 592337)	10½	½-year	1,000	6-7
Redbridge (01-478 3020)	10	½-year	200	5-7
Southend (0702 49451)	9½	½-year	250	3
Thurrock (0375 5122)	10½	½-year	300	4
Thurrock (0375 5122)	10½	½-year	300	5-8

BUILDING SOCIETY RATES

	Deposit Rate	Share Accnts.	Sub'pn Shares	*Term Shares
Abbey National	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 2 yrs.
Alliance	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 2 yrs., 5.75% 1 yr.
Anglia	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 2 yrs., 5.75% 1 yr.
Birmingham	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 2 yrs., 5.75% 1 yr.
Bradford and Bingley	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 2 yrs., min. £500
Bristol and West	5.25%	5.50%	6.75%	—
Bristol Economic	5.25%	5.50%	6.75%	5.75% 3 months' notice
Britannia	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 2 yrs.
Burnley	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 2 yrs.
Cardiff	5.75%	6.30%	7.30%	—
Catholic	5.00%	●5.80%	6.75%	● 5.80% over £5,000
Chelsea	5.25%	5.50%	6.75%	6.25% 6 months' notice, minimum £500
Cheltenham and Gloucester	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 2 yrs. (£500-£15,000)
Citizens Regency	5.25%	5.80%	7.30%	7.05% 3 yrs. over £5,000
City of London	5.50%	5.80%	6.75%	6.72% 3 yrs., min. £500
Coventry Economic	5.25%	5.50%	6.75%	6.50% 3 yrs., 6% 1 yr. min. 3 mths. notice
Coventry Provident	5.25%	5.50%	7.50%	6.75% 3 yrs.
Derbyshire	5.25%	5.50%	6.75%	— Up to 6% 3 months' notice
Gateway	5.25%	5.50%	6.75%	6.50% 3 yrs., 6% 2 yrs., min. £500-£15,000
Guardian	5.25%	5.75%	6.00%	6.45% 3 mths.' notice, minimum £1,000
Halifax	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 2 yrs.
Hastings and Thanet	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 1½ yrs., £250-£15,000
Heart of England	5.25%	5.50%	6.75%	6.50% 3 yrs., 6% 3 months' notice
Hearts of Oak & Enfield	5.25%	5.75%	7.25%	6.75% 3 yrs., 6.50% 2 yrs., 6.25% 1 yr.
Hendon	5.50%	6.00%	—	6.50% 6 months' notice, minimum £2,000
Huddersfield & Bradford	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 2 yrs., £100-£15,000
Leamington Spa	5.35%	5.80%	7.36%	6.35% 2 yrs.
Leeds Permanent	5.25%	5.50%	6.75%	—
Leicester	5.25%	5.50%	6.75%	6.50% 3 yrs., 6% 2 yrs. min. £100-£15,000
Liverpool	5.75%	6.00%	7.45%	7.10% 3 yrs., 6.60% 2 yrs., min. £1,000
London Goldhawk	5.75%	6.25%	7.50%	—
Melton Mowbray	5.35%	5.60%	6.75%	6.35% 2 yrs., min. £2,000
Midshires	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 2 yrs. min. £250
Mornington	5.20%	6.20%	—	—
National Counties	5.50%	5.80%	6.80%	6.25% 6 months
Nationwide	5.25%	5.50%	6.75%	6.50% 3-4 yrs., min. £500, 6.00% 2 yrs.
Newcastle Permanent	5.00%	5.50%	6.80%	6.80% 3 yrs., 6.50% 2 yrs.
New Cross	6.50%	6.75%	—	—
Northern Rock	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 2 yrs., min. £100
Norwich	5.25%	5.50%	7.00%	6.25% 2 yrs., minimum £500
Paisley	5.25%	5.60%	6.75%	6.50% 3 yrs., 6.00% 2 yrs. min. £500
Peckham Mutual	5.50%	6.00%	—	—
Portman	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 2 yrs., 5.75% 3 mths.
Progressive	5.40%	5.65%	6.75%	6.65% 3yrs., 6.4% 2yrs., 6.15% 3mths.not.
Property Owners	■5.25%	6.00%	7.25%	6.40% 3 mths. not. ■4.50% to limitd. cos.
Provincial	5.25%	5.50%	6.75%	6.50% 3-4 yrs., 6.00% 2 yrs.
Skipton	5.25%	5.50%	6.75%	6.50% 3 yrs., 6.00% 2 yrs.
Sussex Mutual	5.55%	5.80%	7.05%	6.85% 3 yrs., 6.55% 2 yrs., min. £500
Town and Country	5.25%	5.50%	♣10.00%	6.50% 3 yrs., 6.00% 2 yrs. ♣ Max. £250
Woolwich	5.25%	5.50%	6.75%	6.00% 2 yrs., 6.50% 3 yrs.

*Rates normally variable in line with changes in ordinary share rates.

U.K. CONVERTIBLE STOCKS 7/4/78

Statistics provided by data STREAM International

Name and description	Size (£m.)	Current price	Terms*	Con-version dates	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.¶	Income Diff.♡	Cheap(+) Dear(−)◊ Current
Alcan Aluminium 9pc Cv. 89-94	9.05	152.00	100.0	76-80	6.0	3.8						
Associated Paper 9½pc Cv. 85-90	1.40	96.00	200.0	76-79	10.1	10.4	0.0	−10 to 1	8.9	9.0	0.0	+ 0.0
Bank of Ireland 10pc Cv. 91-96	8.22	152.00	47.6	77-79	6.6	4.6	− 6.1	−12 to −3	15.1	9.2	− 3.7	+ 2.5
British Land 12pc Cv. 2002	7.71	130.00	333.3	80-97	9.7	9.5	21.9	10 to 26	0.0	96.3	90.2	+68.4
English Property 6½pc Cv. 98-03	8.84	82.00	234.0	76-79	8.2	8.5	9.5	− 3 to 11	8.1	6.3	− 2.4	−11.9
English Property 12pc Cv. 00-05	15.31	92.00	150.0	76-84	13.8	13.9	91.7	40 to 95	29.7	53.3	49.2	−42.4
Hanson Trust 6½pc Cv. 88-93	4.51	80.00	57.1	76-80	8.1	8.9	3.7	1 to 10	11.1	8.7	− 3.1	− 6.8
Hewden-Stuart 7pc Cv. 1995	0.07	240.00	470.4	75-79	2.9		−10.5	−17 to −5	14.0	6.6	− 3.1	+ 7.4
Pentos 15pc Cv. 1985	1.06	130.00	166.7	76-82	11.9	10.1	6.0	− 6 to 8	48.5	48.3	− 0.1	+ 5.9
Slough Estates 10pc Cv. 87-90	5.50	150.00	125.0	78-87	6.8	3.8	9.1	5 to 12	35.6	56.5	15.2	+ 6.1
Tozer, Kemsley 8pc Cv. 1981	7.33	90.00	153.9	74-79	8.8	11.3	21.9	22 to 41	12.3	7.3	− 6.7	−28.6
Wilkinson Match 10pc Cv. 83-98	11.10	89.50	40.0	76-83	11.5	11.7	28.6	22 to 38	26.9	41.0	20.3	− 8.3

* Number of Ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent. of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of Ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on Ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent. per annum and is present valued at 12 per cent. per annum. ¶ Income on £100 of convertible. *Income is summed until conversion and present valued at 12 per cent. per annum.* ♡ This is income of the convertible less income of the underlying equity expressed as per cent. of the value of the underlying equity. ◊ The difference between the premium and income difference expressed as per cent. of the value of underlying equity. + is an indication of relative cheapness, − is an indication of relative dearness.

STOCK EXCHANGE REPORT

Quiet and mixed close to first leg of Budget Account

Share index 4.3 down at 467.1—Spillers weaken

Account Dealing Dates
Option

*First Dealings	Declarations	Last Dealings	Account Day
Mar. 13	Mar. 30	Mar. 31	Apr. 11
Apr. 3	Apr. 13	Apr. 14	Apr. 25
Apr. 17	Apr. 27	Apr. 28	May 10

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

The recent firmness in equity stock markets gave way to quietly mixed conditions as the first leg of the Budget Account came to a close yesterday. Overshadowed by Budget uncertainties and revived Press talk of an increase in short term interest rates in the near future, British Funds also took a modest turn for the worse. Losses ranging from ⅛ at the short-end of the market to ⅜ in the longs left the Government Securities index 0.27 lower at 73.96.

After holding up relatively well, the majority of leading equities drifted a little lower during the afternoon session on the occasional selling order and final quotations recorded scattered irregular changes. Down only 0.3 at 1 p.m., the FT 30-share index eased further to close 4.3 off at 467.1, but still showed an improvement of 3.3 on the week. Spillers, down 5 at 27p on the proposed dividend cut and forecast of halved annual profits which accompanied news of the company's decision to pull out of baking bread, accounted for 2.6 of yesterday's index fall.

Overall, trading conditions were much quieter: official marking of 4,971 compared with 5,984 on Thursday. A marked fall off in both bid speculation and company trading statements contributed to the lower level of activity. Movements were generally narrowly mixed over equities as a whole, but rises still had the edge over falls, by 7-4, in FT-quoted Industrials. Sustained recently by Budget optimism, Store shares turned easier, but still held on to some useful gains made earlier in the week. The FT-Actuaries index for the section recorded a gain of 1 per cent. to 183.93 on the week.

Uninspiring Gilts

Worries about higher interest rates returned following comment that this was likely soon after next week's Budget, and the Gilt-edged market reacted accordingly. The longer maturities quickly surrendered Thursday's gains in a continuing light trade before rallying on indications that Minimum Lending Rate would remain at 6½ per cent. this week. Finally, the losses were reduced to a maximum of ⅜, the tap Exchequer 10¼ per cent. 1995 being that much down at 90. Shorter securities, too, closed above the worst, usually with marginal losses of ⅛, and at this end of the market business was also described as very thin.

American Express International Finance Variable 1982 made an uninspiring debut in recently-issued Fixed Interests, opening and closing at $99⅝.

Because of a well balanced trade which included arbitrage selling, usually released by overseas activities in Hong Kong securities, and institutional business on both buying and selling account, the investment currency premium fluctuated only moderately. Throughout the day, the rate hovered between 103 and 104 per cent. before closing unchanged on balance at 103¾ per cent. Yesterday's SE conversion factor was 0.6819 (0.6879).

Insurances easier

Composite Insurances passed a quiet session and ended easier for choice. Royals cheapened 4 to 365p and Guardian Royal Exchange softened 2 to 224p; the latter's annual figures are due next Wednesday. Eagle Star, which report on the same day, were unaltered at 150p. Matthews Wrightson declined 5 more to 190p among Brokers.

Home Banks closed the week on an easier note. Lloyds, 272p, and Midland, 362p, cheapened 2 apiece and NatWest gave up a penny to 275p. Australian issues, however, continued firmly with Bank of New South Wales up a further 6 to 476p.

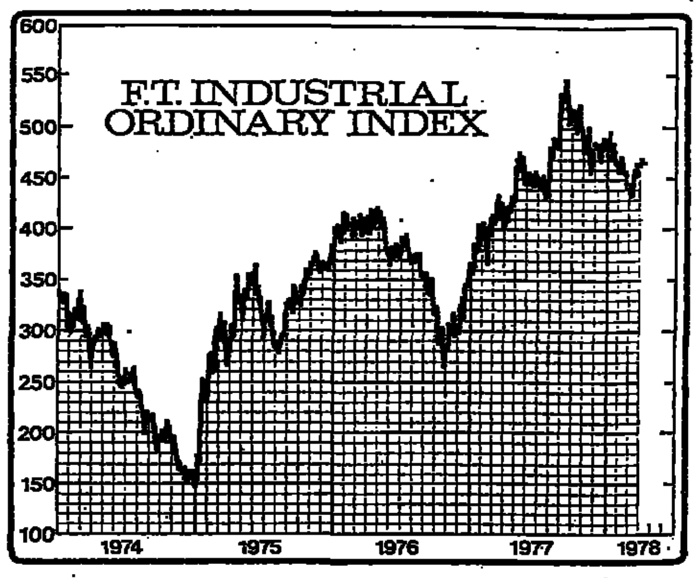
Awaiting Tuesday's Budget, Breweries ran into small nervous selling and shares closed with losses of a penny or two. Allied shed 1½ to 87p, while A. Guinness, 174p, and Scottish and Newcastle, 64p, gave up a penny apiece. Bass Charrington shed 4 to 153p. Elsewhere, Tomatin edged forward a penny to 103p in response to the chairman's annual statement.

Adverse comment on the preliminary results prompted a fall of 6 to 366p in Taylor Woodrow, making a two-day relapse of 18. Elsewhere in Buildings, Richard Costain shed 4 to 258p and John Finlan eased a penny to 31p; the latter's annual results are due next Wednesday. Helical Bar, on the other hand, jumped 8 to 33p, after 34p, following the bid approach. Ahead of their preliminary announcements expected next Monday and Thursday respectively, Benford Concrete firmed a penny to 56p and RMC ended a like amount dearer at 116p. London Brick, after Thursday's gain of 5, touched 66½p initially, on further consideration of the better-than-expected results before closing unaltered at 66p.

ICI drifted down in thin trading to finish 4 off at 358p, while Croda International, on further consideration of the disappointing results, eased 1½ more to 48½p. Fisons at 344p, recorded a Press-inspired gain of 4 and Albright and Wilson, at 110p, retrieved 3 of the previous day's fall of 7 that stemmed from the directors warning of nil profits growth in the current year.

Ratners up again

Leading Stores closed easier for choice after a quiet trade. Book-squaring operations ahead of next Tuesday's Budget left Gussies A 8 down at 288p and Marks and Spencer 2 lower at 147p. Secondary concerns, however, were firm. Still reflecting the increased stake taken in the group by H. Samuel, Ratners put on 4 more to 101p for a gain on the week of 14. Comment on the results helped Austin Reed A improve 4 to 84, while Allied Retailers closed similarly better at 210p.



Apart from GEC, which gave up 5 to 247p on sporadic selling, Electrical leaders held relatively steady. Elsewhere, Dale found support and put on 5 to 138p, while Kode were again wanted and improved 2 further to 109p. Other firm spots included Allied Insulators, 68p, up 3, and Whitworth Electrical, 1½ to the good at 18p.

The underlying tone in Engineerings was again firm and Haden Carrier were particularly good at 101p, up 7; the preliminary results are usually announced towards the end of April. Babcock and Wilcox held at 116p ahead of Tuesday's annual figures, but Taylor Pallister gained 3 to 84 in front of Thursday's results and Peter Brotherhood, interim statement due on April 18, were similarly better at 135p. Demand in a limited market raised Edbro 5 to 146p, while rises of 3 were established in British Northrop, 94p, and James Austin, 115p, the last-named for an advance on the week of 17. Spirax-Sarco continued higher to 287p before meeting with scattered profit-taking which brought a close of a net 2 lower at 283p. Among smaller-priced issues, Midland Industries picked up 2½ to 43p and Woodhouse and Rixson 1½ to 29½p. Of the leaders, GKN improved 2 to 280p and John Brown attained a fresh 1978 peak of 301u, up 3, but Hawker, 198p, and Tube Investments, 264p, both eased twopence.

Spillers figured prominently in Foods, closing 5 cheaper at 27½p, after 34½p, following a large turnover generated by the forecast of sharply reduced profits and dividend which accompanied details of the company's moves to divest itself of its bread baking interests by disposals to Associated British Foods and Ranks Hovis MacDougall. RMH hardened 2 to 52p and ABF 3 to 61p. Geo. Bassett attracted fresh speculative support and rose 2 to 148p for a two-day gain of 8. News of the return to profitable trading lifted Louis C. Edwards a penny to 12p, *while other firm spots included* Avana, ½ harder at 32½p, and Bishop's Stores A, 5 up at 132p. Associated Biscuit eased 2 to 76p in front of Monday's preliminary figures. Cadbury Schweppes, at 53½p, were slightly easier on further consideration of the results. Interest in Supermarkets was largely concentrated on Wheatsheaf Distribution; after having improved to 174p before suspension, the shares moved sharply ahead in active trading on the resumption of dealings following the bid from Linfood; after 202p, the close was a net 26 higher at 194p, a discount of 15p on the latter's offer terms. Linfood finished 5 cheaper at 137p. In Hotels and Caterers, Ladbroke edged forward 3 to 188p for a two-day rise of 5.

Narrow mixed price movements were the order of the day among the miscellaneous Industrial leaders. Ahead of next Monday's first-half figures, Glaxo cheapened 6 to 527p, while Bowater eased 2 to 186p following comment on the results. BOC International edged forward a penny to 70½p on the disclosure that it had reached agreement to acquire Airco for $50 per share. Following the Board's swift rejection of Lonrho's offer equivalent to 127p a share, dealings were resumed in Scottish and Universal Investments at around 110p, compared with a suspension level of 107p and, in reasonable trading, touched 116p before closing at 112p; Lonrho shed 3 to 69p. In sympathy, House of Fraser finished 5 off at 145p. Secondary issues were much quieter although speculative support was forthcoming for Bertrams which rose 6 to 26p and Sale Tilney, 7 dearer at 212p. Reflecting the higher first-half earnings, Maynards put on 6 to 134p and Sharna Ware moved up 5 to 80p in response to the higher annual figures. Current bid favourite Letraset International edged forward a penny more to 145p, to close the week with a rise of 20. Portals improved 4 to 223p but Staflex International receded 3 to 13p on the Board's decision to sell subsidiaries in order to stem persistent losses. Profit-taking after recent strength brought about falls of 3 and 7 respectively in Christies International, 92p, and Sotheby, 251p; the former's preliminary figures are due next Wednesday.

Motors and Distributors ended the week on a quietly firm note, sentiment being little affected by news that the Leyland Cars workforce had voted two-to-one against accepting the productivity incentive scheme. Plaxtons (Scarborough) edged forward 2 to a 1978 peak of 77p, while investment demand raised Dowty 4 further to 181p and Turner Manufacturing 6 to 109p. Alexanders provided an isolated dull spot at 16½p, down 1½.

Newspapers and kindred trades contained a few firm features. Press comment attracted buyers to Olives Paper Mill which rose 7 to 38p. Drawing further strength from the excellent annual figures, A. and C. Black put on 7 more to 95p for a two-day jump of 23. Ahead of next Thursday's preliminary figures, DRG edged forward a penny to 121p.

The possibility of higher interest rates in the near future acted as a drag on Properties. Trade throughout was spasmodic but the leaders steadied after yesterday's MLR indications and Land Securities reverted to the overnight level of 209p, after 207p, while MEPC closed slightly easier at 116p, after 115p. Losses of around 2 were sustained by Great Portland, 280p, and Haslemere Estates, 226p, along with City Offices, at 53½p, and Regalian, at 10½p. On the other hand, London Provincial Shop improved that much to 89p and Greencoat, after mid-week easiness on the big French development loss, rallied a penny to 6p. Housebuilders such as Rush and Tomkins, 2 better at 108p, and Fairview Estates, the turn harder at 110p, benefited from small demand, while Edger Investments 6 per cent. Debenture 1993-98 were raised 35 to around £94 bid following the proposed early redemption.

Shell listless

Shell came to the end of a listless week only marginally easier at 517p but some 15 lower over the period. Even the two-way activity in British Petroleum, which had featured Oils for the past few days, faded yesterday but the close was 4 harder at 760p. Lasmo, at 148p, were unaffected by the Ninian Field platform dispute, but other North Sea hopefuls softened a shade. Siebens (U.K.) lost 4 to 258p and Oil Exploration 2 to 208p. Reflecting domestic market influences, Ranger moved up 1⅛ to £21¼ and Weeks Natural Resources rose 8 to 1978 high of 120p.

Overseas Traders were better where changed. William Jacks hardened 2 to 24p on the first-half recovery, while Australian Agricultural rose 3 to 74p and Paterson Zochonis 5 to 185p. United City Merchants continued firmly, rising a penny for a rise on the week of 8 to 57p with the help of Press comment.

Investment Trusts were better for choice following an improved business. Jersey External Preferred rose 4 to 135p, while General Investors, 96p, and International Investment Trust of Jersey, 168p, put on 2 and 3 respectively. Reflecting Overseas advices, Robeco hardened ¼ to £58½ and Rolinco 1½ to £43. In Financials, Dalgety improved 4 to 247p and Kakuzi 10 to 120p.

Following Thursday's fall of 9, Furness Withy became a steadier market but closed a net penny easier at 220p, after 223p. Other *Shipping leaders finished* at, or near, the overnight levels after a reasonable business.

Afrikander weak

Textiles had the occasional firm spot. Sekers International responded to Press comment with a rise of a penny to 27p, while Sirdar, 61p, and Tompkinsons, 55p, put on 2 and 3 respectively. BAT Industries continued to figure prominently in Tobaccos, living 5 to 300p following publicity given to the launch of the company's first cigarette brand in the U.K. A. Dunhill, at 357p, held the previous day's gain of 17.

Williamson, 4 better at a 1978 peak of 166p, provided the only significant movement in idle Plantations. London Sumatra were unmoved at 128p, after 130p, following the chairman's detailed rejection of the increased bid from McLeod-Sipef.

A feature of mining markets was the weakness in the share price of Afrikander Lease which plummeted at the outset of business to close 105p down on balance at 165p, after touching 160p. The heavy fall reflected news, announced after market hours on Thursday, of the suspension of the mine's uranium development plans.

South African Golds ended the week on a quietly easier note with late U.S. offerings following the downturn in the bullion price, which was finally 75 cents easier at $179.375 per ounce, bringing the fall on the week to $4.25.

The decline on the week reflected continuing uncertainty over the possibility of U.S. gold sales.

The Gold Mines index, down 0.7 yesterday, registered a 5.7 decline over the week.

In contrast with Golds Australians enjoyed a good week with prices responding to persistent *buying in both London and* "down-under" markets.

Among Uraniums EZ Industries advanced 5 more to 190p, a two-day improvement of 15, while Peko-Wallsend hardened 2 to a 1978 high of 457p. Profit-taking lowered Pancontinental by 50 to 950p.

Coals continued to gain ground with Utah Mining Australia firmer at 315p and Oakbridge up at 155p.

Of the more speculative issues Tasminex rose another 5 to [illegible] and Consolidated Rutile the same amount to 50p. Both show gains of 10 over the past [illegible] days.

Financials were quietly mixed. South African-domiciled issues were usually a shade easier where changed but De Beers hardened a penny to 323p after being [illegible] throughout the week.

In London-based Financials Gold Fields were undisturbed at [illegible] but remained 7 lower on the week following disappointment with the half-year profits announced Wednesday.

FINANCIAL TIMES STOCK INDICES

—	Apr. 7	Apr. 6	Apr. 5	Apr. 4	Apr. 3	Mar. 31	A year ago
Government Secs.	73.96	74.23	74.06	73.84	73.86	73.[illegible]	65.6[illegible]
Fixed Interest	77.41	77.38	77.31	77.22	77.16	77.38	70.3[illegible]
Industrial Ordinary	467.1	471.4	470.2	467.8	462.8	463.8	405[illegible]
Gold Mines	155.0	153.7	151.6	156.1	157.4	158.7	118.[illegible]
Ord. Div. Yield	5.77	5.75	5.76	5.79	5.84	5.81	5.6[illegible]
Earnings Y'ld%(full)(*)	16.86	17.31	16.60	17.01	17.17	17.07	17.9[illegible]
P/E Ratio (net)(*†)	8.18	8.17	8.50	8.25	8.18	8.22	8.4[illegible]
Dealings marked	4,971	5,984	4,844	5,414	4,859	5,498	5,8[illegible]
Equity turnover £m.	—	78.15	65.15	76.39	60.56	74.54	55.4[illegible]
Equity bargains total	—	16,894	16,824	22,625	19,112	18,315	13,6[illegible]

10 a.m. 471.6. 11 a.m. 471.8. Noon 470.9. 1 p.m. 471.1. 2 p.m. 467.9. 3 p.m. 467.8.
Latest Index 01-246 8026.
* Based on 52 per cent. corporation tax. † Nil=8.12.
Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

—	1978 High	1978 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	78.58 (3/1)	73.84 (4/4)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	81.27 (9/1)	77.14 (15/2)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	497.3 (6/1)	433.4 (2/3)	549.2 (14/9/77)	49.4 (26/6/40)
Gold Mines	168.6 (6/3)	130.3 (5/1)	442.3 (22/6/75)	43.5 (26/10/71)

S.E. ACTIVITY

	Apr. 7	Apr. 6
—Daily		
Gilt-Edged	180.9	177.9
Industries	169.8	211.0
Speculative	30.0	42.[illegible]
Totals	113.1	136.[illegible]
5-day Av'rage		
Gilt-Edged	169.8	167.4
Industrials	178.3	183.3
Speculative	41.9	45.[illegible]
Total	118.6	121.0

NEW HIGHS AND LOWS FOR 1978

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1978.

NEW HIGHS (136)

LOANS (1)
FOREIGN BONDS (1)
AMERICANS (15)
CANADIANS (7)
BANKS (6)
BEERS (1)
BUILDINGS (7)
CHEMICALS (6)
DRAPERY & STORES (6)
ELECTRICALS (2)
ENGINEERING (13)
FOODS (3)
INDUSTRIALS (22)
INSURANCE (1)
MOTORS (3)
NEWSPAPERS (1)
PAPER & PRINTING (5)
SHIPPING (1)
SOUTH AFRICANS (1)
TEXTILES (4)
TRUSTS (12)
OILS (5)
OVERSEAS TRADERS (4)
RUBBERS (1)
TEAS (1)
MINES (4)

NEW LOWS (10)

BRITISH FUNDS (1)
Gas 3pc '90/95
BANKS (2)
Dawes (G. R.) Grindlays Hldgs.
CHEMICALS (1)
Croda Int.
INDUSTRIALS (2)
Highgate Optical Whatman Reeve
INSURANCE (1)
Matthews Wrightson
PROPERTY (1)
Gilgate
SHIPPING (1)
Common Bros.
TEXTILES (1)
Courtaulds 7pc Deb. '82/87

ACTIVE STOCKS

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price (p)	Change on week	1978 high	1978 low
BP	£1	71	760	−16	864	720
Shell Transport	25p	67	517	−15	533	484
ICI	£1	56	358	+2	365	328
BATs Defd.	25p	52	260	—	269	227
Burmah Oil	£1	49	45	−1	57	44
Beecham	25p	45	649	+9	678	583
GEC	25p	45	247	−3	278	237
Letraset	10p	42	145	+20	148	98
Reed Intl.	£1	42	116	+6	143	102
BICC	50p	41	110	+6	116	99
RTZ	25p	41	196	−6	202	164
GUS A	25p	40	288	−4	312	256
Commercial Union	25p	39	150	−2	156	138
Rank Organisation	25p	38	246	—	265	226
Barclays Bank	£1	37	342	+6	350	296

YESTERDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1978 high	1978 low
Shell Transport	25p	10	517	−1	533	484
GEC	25p	8	247	−5	278	237
GUS A	25p	8	288	−8	312	256
ICI	£1	8	358	−4	365	328
Beecham	25p	7	649	+2	678	583
Burmah Oil	£1	7	45	—	57	44
Grd. Metropolitan	50p	7	104½	−¼	109	87
Sotheby	25p	7	251	−7	258	199
Unilever	25p	7	516	+6	548	476
Assoc. Dairies	25p	6	227	−3	273	205
BATs Defd.	25p	6	260	−3	269	227
Barclays Bank	£1	6	342	—	350	296
Boots	25p	6	217	−2	231	184
EMI	50p	6	154	+1	190	141
GKN	£1	6	280	+2	282	264

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e) and reproduced to-day in Stock Exchange dealings.

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RISES AND FALLS

	Yesterday Up	Yesterday Down	Yesterday Same	On the week Up	On the week Down	On the week Same
British Funds	2	57	15	110	92	168
Corporations, Dom. and Foreign Bonds	9	9	48	48	49	221
Industrials	372	219	963	2,002	1,099	4,673
Financial and Property	113	72	337	619	404	1,591
Oils	9	5	20	34	27	109
Plantations	9	2	23	33	24	113
Mines	29	41	52	168	198	244
Recent Issues	—	4	13	11	14	63
Totals	543	409	1,471	3,017	1,907	7,182

OPTIONS TRADED

DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Mar. 21	Apr. 10	Jun. 22	July 4
Apr. 11	Apr. 24	July 6	July 18
Apr. 25	May 9	July 20	Aug. 1

For rate indications see end of Share Information Service

Stocks favoured for the call included Nurdin and Peacock, Decca A, Hawtin, Lonrho, KCA International, Intereuropean Property, Christies, Mills and Allen, Adda International, P and O Deferred, Olives Paper Mill, SUITs, Burmah Oil and BP. Puts were dealt in Staflex International and Christopher Moran, while doubles were arranged in Nurdin and Peacock, Mills and Allen, Olives Paper Mill and Town and City Properties.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid up	Latest Renunc. Date	1978 High	1978 Low	Stock	Closing Price p	+or−	Div.	Times Covered	Gross Yield	P/E Ratio
105	F.P.	26/4	10½	11	Ryan (L.) [illegible]	120	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST STOCKS

Issue Price £	Amount Paid up	Latest Renunc. Date	1978 High	1978 Low	Stock	Closing Price £	+or−
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Date	1978 High	1978 Low	Stock	Closing Price p	+or−
25	F.P.	30/3	13/4	34	29	[illegible] Industrials	33	[illegible]
62	F.P.	30/3	10/5	86	76	Warnoughs	84	[illegible]

Renunciation date usually last day for dealing free of stamp duty. [illegible]

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS and SUB-SECTIONS — Figures in parentheses show number of stocks per section. Fri., April 7, 1978 (Index No., Day's Change %, Est. Earnings Yield % (Max.), Gross Div. Yield %, Est. P/E Ratio (Net)); Thurs. Apr. 6; Wed. Apr. 5; Tues. Apr. 4; Mon. Apr. 3; Year ago (approx.); Highs and Lows Index (1978 High, Low; Since Compilation High, Low)

No.	Group	Figures
1	CAPITAL GOODS (170)	[illegible]
2	Building Materials (27)	[illegible]
3	Contracting, Construction (28)	[illegible]
4	Electricals (15)	[illegible]
5	Engineering Contractors (14)	[illegible]
6	Mechanical Engineering (71)	[illegible]
8	Metals and Metal Forming (17)	[illegible]
	CONSUMER GOODS	
11	(DURABLE) (50)	[illegible]
12	Lt. Electronics, Radio TV (15)	[illegible]
13	Household Goods (12)	[illegible]
14	Motors and Distributors (23)	[illegible]
	CONSUMER GOODS	
21	(NON-DURABLE) (174)	[illegible]
22	Breweries (14)	[illegible]
23	Wines and Spirits (6)	[illegible]
24	Entertainment, Catering (17)	[illegible]
25	Food Manufacturing (20)	[illegible]
26	Food Retailing (16)	[illegible]
32	Newspapers, Publishing (13)	[illegible]
33	Packaging and Paper (15)	[illegible]
34	Stores (39)	[illegible]
35	Textiles (25)	[illegible]
36	Tobaccos (3)	[illegible]
37	Toys and Games (6)	[illegible]
41	OTHER GROUPS (97)	[illegible]
42	Chemicals (18)	[illegible]
43	Pharmaceutical Products (7)	[illegible]
44	Office Equipment (6)	[illegible]
45	Shipping (10)	[illegible]
46	Miscellaneous (55)	[illegible]
49	INDUSTRIAL GROUP (495)	[illegible]
51	Oils (5)	[illegible]
59	500 SHARE INDEX	[illegible]
61	FINANCIAL GROUP (100)	[illegible]
62	Banks (6)	[illegible]
63	Discount Houses (10)	[illegible]
64	Hire Purchase (5)	[illegible]
65	Insurance (Life) (10)	[illegible]
66	Insurance (Composite) (7)	[illegible]
67	Insurance Brokers (10)	[illegible]
68	Merchant Banks (14)	[illegible]
69	Property (31)	[illegible]
70	Miscellaneous (7)	[illegible]
71	Investment Trusts (50)	[illegible]
81	Mining Finance (4)	[illegible]
91	Overseas Traders (19)	[illegible]
99	ALL-SHARE INDEX (673)	[illegible]

FIXED INTEREST PRICE INDICES

British Government	Fri. Apr. 7	Day's change %	xd adj. To-day	xd adj. 1978 to date
1 Under 5 years	[illegible]	[illegible]	[illegible]	[illegible]
2 5-15 years	[illegible]	[illegible]	[illegible]	[illegible]
3 Over 15 years	[illegible]	[illegible]	[illegible]	[illegible]
4 Irredeemables	[illegible]	[illegible]	[illegible]	[illegible]
5 All stocks	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST YIELDS — Br. Govt. Av. Gross Red.

		Fri. Apr. 7	Thurs. Apr. 6	Year ago (approx.)	1978 Highs	1978 Lows
1 Low Coupons	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2	15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3	25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4 Medium Coupons	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5	15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6	25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7 High Coupons	5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8	15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
9	25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
10 Irredeemables		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

	Fri. April 7 Index No.	Yield %	Thur. April 6	Wed. April 5	Tues. April 4	Mon. April 3	Fri. March 31	Thur. March 30	Wed. March 29	Year ago (approx.)	1978 Highs	1978 Lows	Since Compilation Highs	Since Compilation Lows
15 20-yr. Red. Deb. & Loans (15)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
16 Investment Trust Prefs. (15)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
17 Coml. and Indl. Prefs. (20)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Section or Group / Base Date / Base Value: [illegible]

INSURANCE, PROPERTY, BONDS

AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

BASE LENDING RATES

A.B.N. Bank	6½%	■ Hill Samuel §	6½%
Allied Irish Banks Ltd.	6½%	C. Hoare & Co. †	6½%
American Express Bk.	6½%	Julian S. Hodge	7½%
Amro Bank	6½%	Hongkong & Shanghai	6½%
A P Bank Ltd.	6½%	Industrial Bk. of Scot.	6½%
Henry Ansbacher	6½%	Keyser Ullmann	6½%
Banco de Bilbao	6½%	Knowsley & Co. Ltd.	9 %
Bank of Credit & Cmce.	6½%	Lloyds Bank	6½%
Bank of Cyprus	6½%	London Mercantile	6½%
Bank of N.S.W.	6½%	E. Manson & Co. Ltd.	8 %
Banque Belge Ltd.	8½%	Midland Bank	6½%
Banque du Rhone	7 %	■ Samuel Montagu	6½%
Barclays Bank	6½%	■ Morgan Grenfell	6½%
Barnett Christie Ltd.	8½%	National Westminster	6½%
Bremar Holdings Ltd.	7½%	Norwich General Trust	6½%
Brit. Bank of Mid. East	6½%	P. S. Refson & Co.	6½%
■ Brown Shipley	6½%	Rossminster Accept'cs	6½%
Canada Permanent AFI	6½%	Royal Bk. Canada Trust	6½%
Capitol C & C Fin. Ltd.	8½%	Schlesinger Limited	6½%
Cayzer Ltd.	7 %	E. S. Schwab	8½%
Cedar Holdings	8 %	Security Trust Co. Ltd.	7½%
■ Charterhouse Japhet	6½%	Shenley Trust	9½%
Choulartons	6½%	Standard Chartered	6½%
C. E. Coates	7½%	Trade Dev. Bank	6½%
Consolidated Credits	6½%	Trustee Savings Bank	6½%
Co-operative Bank *	6½%	Twentieth Century Bk.	7½%
Corinthian Securities	6½%	United Bank of Kuwait	6½%
Credit Lyonnais	6½%	Whiteaway Laidlaw	7 %
The Cyprus Popular Bk.	6½%	Williams & Glyn's	6½%
Duncan Lawrie ¶	6½%	Yorkshire Bank	6½%
Eagil Trust	6½%		
English Transcont.	8 %		
First London Secs.	6½%		
First Nat. Fin. Corpn.	8½%		
First Nat. Secs. Ltd.	8 %		
■ Antony Gibbs	6½%		
Greyhound Guaranty	6½%		
Grindlays Bank ‡	6½%		
■ Guinness Mahon	6½%		
■ Hambros Bank	6½%		

■ Members of the Accepting Houses Committee.
* 7-day deposits 3%, 1-month deposits 3½%.
† 7-day deposits on sums of £10,000 and under 3%, up to £25,000 3½% and over £25,000 4½%.
‡ Call deposits over £1,000 3%.
§ Demand deposits 4%.
¶ Rate also applies to Sterling Ind. Secs.

NOTES

Prices do not include $ premium, except where indicated ♦, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b To-day's prices. c Yield based on offer price. d Estimated. g To-day's opening price. h Distribution free of U.K. taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ♦. ¶ Guernsey gross. # Suspended. ♦ Yield before Jersey tax. † Ex-subdivision.

CLIVE INVESTMENTS LIMITED
1 Royal Exchange Ave., London EC3V 3LU. Tel.: 01-283 1101.
Index Guide as at 21st March, 1978 (Base 100 at 14.1.77.)
Clive Fixed Interest Capital 135.42
Clive Fixed Interest Income 122.34

CORAL INDEX: Close 464-469

INSURANCE BASE RATES

† Property Growth	8%
† Vanbrugh Guaranteed	7.50%

† Address shown under Insurance and Property Bond Table.

I.G. Index Limited 01-351 3466. Three month Tin 5890-5935
29 Lamont Road, London, SW10 0HS.
1. Tax-free trading on commodity futures
2. The commodity futures market for the smaller investor

PIMS
for the latest Investment Trust report phone Mary Blair (01-409 3100)
Exclusive to Schlesingers

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

1978 High	Low	Stock	£	+ or −	Int.	Yield Red.
		"Shorts" (Lives up to Five Years)				
102½	101⅛	Treasury 10½pc '78‡‡	101⅛	......	10.38	6.12
99⅝	99⅛	Exch. 5pc '76-78‡‡	99⅛	......	5.03	6.47
105⅛	103⅞	Treasury 11½pc '79‡‡	103⅞	......	11.10	7.36
97	94¾	Treasury 3pc '79‡‡	96⅛	......	3.12	5.84
97⅞	95⅞	Electric 4½pc '74-79	96⅞	......	4.39	6.51
104⅞	102⅞	Treasury 10½pc '79‡‡	102⅞xd	−¼	10.24	8.70
96½	94¾	Electric 3½pc '76-79	95¾	+¼	3.65	6.33
103¼	100¼	Treasury 9pc 1980‡‡	100⅝	......	8.95	8.65
102⅞	100½	Treasury 9½pc '80‡‡	100⅞xd	+⅛	9.42	9.05
95⅛	93	Treasury 3½pc '77-80	93⅝	......	3.74	6.68
96½	94	Funding 5½pc '78-80‡‡	95¾	−⅛	5.48	7.38
110¾	107¼	Exchequer 13pc 1980‡‡	107⅞	−⅛	12.11	9.75
106¼	103½	Treasury 11½pc 1981‡‡	104⅛	−⅛	11.02	9.64
91⅞	90⅛	Treasury 3½pc 1979-81	90⅛	......	3.88	7.40
101¾	99¼	Treasury 9¾pc 1981‡‡	100⅞	−⅛	9.67	9.43
97⅞	95¼	Exch. 8¼pc 1981	96⅞	−⅛	8.52	9.40
100¼	98⅞	Exch. 9½pc 1981	99⅞	−⅛	9.52	9.56
87⅞	87½	Exch. 3pc 1981	87⅝	......	3.42	7.21
96⅞	96⅛	Treas. Variable '81§§	96⅞	......	6.74	7.66
111	107⅞	Exch. 12¾pc 1981‡‡	108	−⅛	11.81	10.04
99⅛	95⅞	Treas. 8½pc '80-82‡‡	96⅞	−⅛	8.77	9.49
86⅝	84	Treasury 3pc '82‡‡	85⅝	......	3.50	7.35
115⅞	111¾	Treasury 14pc '82‡‡	112¾	−½	12.42	9.99
96	95¾	Treas. Variable '82§§	95¾	......	6.78	7.70
96⅛	93⅞	Treasury 8¼pc '82	95¼	−⅛	8.66	9.64
100¼	96½	Exch. 9¼pc 1982	97⅞	−⅛	9.45	9.83
96⅞	95⅞	Exch. 8¾pc 1983e	95¾	−⅛	9.14	9.88
85¼	81	Exch 3pc '83	82⅞	−⅛	3.64	7.39
114¼	105½	Treasury 12pc 1983‡‡	107⅞	−⅛	11.13	9.95
		Five to Fifteen Years				
100⅛	95¾	Treasury 9¼pc '83	98¼	−⅛	9.57	10.07
89⅝	85½	Funding 5½pc '82-84‡‡	86¾	−¼	6.43	8.76
96⅞	93	Treasury 8½pc '84-86‡‡	94¼	−¼	9.22	9.91
87⅝	81½	Funding 6½pc '85-87‡‡	81½xd	−¼	7.94	9.54
89⅝	85	Treasury 7¾pc '85-88‡‡	86	−¼	9.18	10.30
68⅛	63⅝	Transport 3pc '78-88	64⅝	−¼	4.70	8.32
75⅝	68⅛	Treasury 5pc '86-89	68⅞xd	−¼	7.29	9.56
115¼	108⅞	Treasury 13pc 1990‡‡	110¼	−⅜	12.07	11.76
69⅞	84½	Treasury 8¼ 87-90‡‡	85¼	−⅜	9.98	10.85
106½	100¼	Treasury 11¾pc 1991	102	−⅜	11.86	11.87
75⅛	67¾	Funding 5¾pc '87-91‡‡	68	−⅜	8.47	10.28
112½	106	Treasury 12¾pc '92‡‡	107⅝	−⅜	12.15	12.00
96⅞	88¼	Treasury 10pc 1992	89⅞	−⅜	11.29	11.68
113	101⅞	Exch. 12¼pc '92	103	−⅜	12.07	12.02
		Over Fifteen Years				
110⅝	104⅞	Treasury 12½pc '93‡‡	106	−⅜	12.13	12.05
72⅛	64½	Funding 6pc 1993‡‡	65⅜	−⅜	9.24	10.68
120¼	114	Treasury 13¾pc 1993‡‡	116	−⅜	12.41	12.18
128⅞	115¾	Treasury 14½pc '94‡‡	117½	−¼	12.51	12.20
114⅛	102¾	Exch. 12½pc 1994	104⅜	−⅜	12.16	12.10
89⅞	85	Treasury 9pc '94‡‡	85⅝	−⅜	10.97	11.43
106¾	100⅝	Treasury 12pc '95	102⅜	−⅜	12.01	12.00
51⅞	46⅞	Gas 3pc '90/95	46⅞xd	−¼	6.38	9.22
95	88⅝	Exch. 10¼pc 1995e	90	−⅜	11.59	11.83
200	107⅞	Treasury 12¾pc '95‡‡	109¾	−⅜	12.18	12.10
90½	81⅞	Treasury 9pc '92/96‡‡	81⅞	−½	11.10	11.51
131½	119½	Treasury 15¼pc '96‡‡	120⅛xd	−⅜	12.59	12.32
117⅝	111½	Exchequer 13¼pc '96‡‡	113¼	−⅜	12.27	12.15
50	46	Redemption 3pc 1986-96	46	−⅛	6.53	9.10
115¼	109⅝	Treasury 13¼pc '97‡‡	111	−⅜	12.25	12.13
98⅞	93¼	Exchequer 10½pc 1997	91	−⅜	11.72	11.77
88¼	79	Treasury 8¾pc 1997‡‡	79⅝	−½	11.12	11.51
72¼	64⅜	Treasury 6¾pc '95-98‡‡	64⅝xd	−⅜	10.38	11.15
135⅜	122½	Treas. 15½pc '98‡‡	124	−½	12.55	12.32
90½	85½	Treasury 9½pc 1999‡‡	86	−⅜	11.34	11.57
96¼	90¾	Treasury 10½pc 1999	91¾	−⅜	11.75	11.88
42½	39¼	Funding 3½pc '99-04	39⅝	−¼	9.02	10.27
80⅞	72⅛	Treasury 8pc '02-06‡‡	72⅜	−⅜	11.07	11.26
58⅜	51¼	Treasury 5½pc '08-12‡‡	51½	−⅜	10.78	11.04
76⅜	71⅛	Treasury 7¾pc '12-15‡‡	71⅜	−⅜	11.10	11.18
		Undated				
37⅞	34⅝	Consols 4pc	34⅝	−⅛	11.76	—
37⅞	35½	War Loan 3½pc‡‡	35⅝	−⅛	10.18	—
39¼	36¼	Conv. 3½pc '61 Aft.	36⅜	−⅛	9.64	—
28⅝	25⅛	Treasury 3pc 66 Aft.	25⅜	......	11.84	—
24⅞	21⅞	Consols 2½pc	22	......	11.38	—
24	21⅛	Treasury 2½pc	21¼	......	11.80	—

**INTERNATIONAL BANK

88	83½	5pc Stock '77-82	83½	......	5.97	9.70

**CORPORATION LOANS

98¾	96¼	Birm'ham 9¾pc '79-81	97¾	......	9.46	10.04
94¼	91	Bristol 7¾pc '79-81	92½	−¼	8.38	10.29
107	103½	G.L.C. 12½pc '82	105¾	......	11.82	10.73
112	103¾	Do. 12½pc 1983	107½	−¼	11.83	11.06
97¾	94¾	Glasgow 9¼ '80-82	96¼	......	9.66	10.42
93	90¾	Herts. 5½pc '78-80	92	−¼	5.71	9.47
99½	97⅞	Liverpool 5¾pc '76-78	99⅛	......	5.80	7.53
102½	97¼	Do. 9¾pc '80-84	99¼	−¼	10.21	10.76
29¾	28¾	Do. 3½pc Irred.	29	......	12.26	
100⅞	99	Lon. Corp. 6½pc '75-78	99⅞	......	6.52	7.42
99¾	92	Do. 9¼pc '84-85	94½	......	9.80	10.32
97¼	95	L.C.C. 6pc '76-79	96½	......	6.22	8.72
92½	89	Do 5½pc '77-81	89	−¼	6.18	9.28
87½	79¾	Do 5½pc '82-84	80	−½	6.98	10.14
75½	70½	Do. 5½pc '85-87	73¼	......	7.69	10.37
78	72½	Do 6¾pc '88-90	74	−¼	9.32	10.86
26½	24½	Do. 3pc '20 Aft.	24¾	......	12.42	—
93¾	91½	Middx. 5¾pc 1980	93¼	......	5.63	9.87
99½	97½	Newcastle 9¾pc '78-80	98¼	......	9.42	10.03
106¾	104	Warwick 12½% 1980	104¾	......	11.93	10.32

COMMONWEALTH & AFRICAN LOANS

100⅞	98½	**Aust. 5½pc '75-78	99⅛	......	5.55	7.41
95¾	93½	**Do. 5½pc '77-80	95⅛	......	5.87	9.46
88¼	84	**Do. 5½pc '81-82	84½	......	6.51	10.34
98⅜	96¾	**N.Z. 4pc 1976-78	98⅜	......	4.12	8.37
96½	92¾	**Do. 6pc '76-80	94¼	......	6.40	9.71
87¾	85½	**Do. 7½pc '83-86	87½	+½	8.80	10.19
95	91	Sth. Africa 9½pc '79-81	91½xd	......	10.31	12.23
70	55	Sth. Rhod. 2½pc '65-70	57	......	—	—
96	85	Do. 6pc '78-81	88	......	—	—

LOANS

Public Board and Ind.

64½	59	Agric. Mt. 5pc '59-89	63½	......	8.03	10.91
90½	88	Alcan 10½pc '89-94	89	......	12.33	12.70
33¼	31	**Met. Wtr. 3pc 'B'	31¼	......	9.67	11.37
118	107	U.S.M.C. 9pc 1982	118	+1	7.86	5.20
94½	92½	Do. without Warrants	94½	......	9.83	11.50
100	99	Ultramar 7pc '75-78	100	......	7.23	12.20

Financial

107¼	103¾	**FFI 13pc '81	105½	......	12.32	10.67
110	102	Do. 14pc '79	102xd	......	13.72	12.50
114½	109	Do. 14pc '83	112¼	−½	12.90	11.90
85	79½	ICFC 5½pc Deb. '80-82	82xd	+½	6.71	10.60
81½	78	Do. 6¼pc Db. '81-84	80	+1	8.08	11.20
99	95½	Do. 10¼pc Uns.Ln. '86	97	......	11.12	11.50
99¼	96	Do. 11pc Uns.Ln. '88	97½	+1	11.63	11.90
101½	98½	Do. 11¾pc Uns.Ln. '90	99½	......	12.17	12.30
71½	67	Do. 7¼pc A Deb. '89-92	67	......	11.29	12.65
71½	64	Do. 7¼pc A Db. '91-94	65xd	+1	11.15	12.20
84½	76½	Do. 9pc 'A' '91-94	77½xd	+½	11.61	12.28
81¼	74	Do. 8¾pc Ln. '92-97	75	+½	12.11	12.60

FOREIGN BONDS & RAILS

1978 High	Low	Stock	Price £	+ or −	Div. % Gross	Red. Yield
19½	18	Antofagasta Rly.	18	......	—	—
33	33	Do. 5pc Pref.	33	......	B—	—
98	98	Chilean Mixed	98	......	3	£3.09
375	350	German Yng. 4½pc.	375	......	4½	—
52	46	Greek 7pc Ass.	52	......	3½	£6.93
50	46	Do 6pc 28 Stab. Ass.	49	......	6	£6.12
44	40	Do 4pc Mixed Ass.	43	......	4	£4.71
52	42	Hung. '24 Ass.	52	......	4½	5.55
77	70	Iceland 6½pc '83-88	70	......	—	11.80
88	86¼	Ireland 7½pc '81-83	86½	......	8.45	11.41
91	82½	Do 9¾pc '91-96	83½	+½	11.88	12.20
365	265	Japan 4pc '10 Ass.	365	......	—	—
87	77	Do 6pc '83-88	83½	−1	6	8.60
160	145	Peru Ass. 3pc	145xd	......	3	2.07
75p	75p	S.G.I. 6½pc 1980	75	......	6½	8.67
99	96½	Turin 9pc 1991	$96½	......	9	9.33
DM81½	DM81	Turin 6½pc 1984	DM81	......	6½	11.35
94	94	Uruguay 3½pc	94	......	3½	4.80

U.S. $ & DM prices exclude inv. $ premium

AMERICANS

1978 High	Low	Stock	£	+ or −	Div. Gross	C'vr	Y'ld Gr's
17	13½	ASA	17	+1	80c	—	2.6
60½	60½	AMF 5% Conv. '87	60½	......	5%	—	f
27½	22	Amax $1	26½	......	$1.75	—	3.7
26¼	21¾	American Express	25½	+¼	$1.40	—	3.1
33½	11	Amer. Medic. Int.	18	+1⅛	30c	—	1.0
15½	969p	Asarco Inc.	15⅜	......	40c	—	1.5
35	28¾	Baker Intnl. Corp. $1	35	+1	64c	—	1.0
15⅝	11⅞	Barnes Grp. $6⅔	15⅝	+⅜	90c	—	3.2
[illegible]	[illegible]	Bendix Corp. $5	27⅜xd	+⅜	$2.28	—	4.7

[illegible]

AMERICANS—Continued

[illegible]

S.E. List Premium 46¾% (based on $US1.8770 per £)

Conversion factor 0.6819 (0.6879)

CANADIANS

[illegible]

S.E. List Premium 46¾% (based on $2.1386 per £)

BANKS AND HIRE PURCHASE

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

BUILDING INDUSTRY—Cont.

[illegible]

CHEMICALS, PLASTICS

[illegible]

CINEMAS, THEATRES AND TV

[illegible]

DRAPERY AND STORES

[illegible]

DRAPERY AND STORES—Cont.

[illegible]

ELECTRICAL AND RADIO

[illegible]

ENGINEERING MACHINE TOOLS

[illegible]

ENGINEERING—Continued

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

HOTELS AND CATERERS

[illegible]

HOTELS—Continued

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

INDUSTRIALS—Continued

INSURANCE—Continued

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

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SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

INV. TRUSTS—Continued

Finance, Land, etc.

FINANCE, LAND—Continued

OILS

OVERSEAS TRADERS

RUBBERS AND SISALS

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES

CENTRAL RAND

EASTERN RAND

FAR WEST RAND

O.F.S.

FINANCE

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MINES—Continued

CENTRAL AFRICAN

1978 High	Low	Stock	Price	+ or —	Div. Net	Cvr	Y'ld Gr's
210	155	Falcon Rh.50c	185xd	......	Q50c	1.3	23.1
24	17	Rhod'n Corp. 16½p	19	......	0.57	4.3	4.5
73	52	Roan Cons. K4	70	......	—	—	—
137	122	Tanganyika 50p	128	+2	Q11.0	1.1	8.6
80	78	Do. Pref. 80p	80	......	Q9%	16.4	9.0
41	32	Wankie Col. Rh1	39	+1	†Q7½c	1.4	17.3
12½	10	Zam Cpr. SBD0.24	11½	[illegible]	—	—	—

AUSTRALIAN

TINS

COPPER

MISCELLANEOUS

1978 High	Low	Stock	Price	+ or —	Div. Net	Cvr	Y'ld Gr's
9	9	Burma Mines 17½p	9	......	—	—	—
300	220	Cons. Murch. 10c	250	-5	Q30c	2.6	7.2
325	245	Northgate C$1	297	......	—	—	—
202	164	R.T.Z.	196	......	t8.5	q3.1	6.6
46½	31	Sabina Inds. C$1	31	-½	—	—	—
950	750	Tara Exptn. $1	850	+50	—	—	—
45	43	Tehidy Minerals 10p	43	......	1.21	2.5	4.3
152	120	Yukon Cons. C$1	152	......	Q7c	♦	2.2

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields are based on middle prices, are gross, adjusted to ACT of 34 per cent. and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- A Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ♦ Figures or report awaited.
- †† Unlisted security.
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issues cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ‡ Not comparable.
- ♠ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ✦ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. D Cover and P/E ratio exclude profits of U.K. aerospace subsidiaries. E Issue price. F Dividend and yield based on prospectus or other official estimates for 1977-78. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1976-77. K Figures based on prospectus or other official estimates for 1978. M Dividend and yield based on prospectus or other official estimates for 1978. N Dividend and yield based on prospectus or other official estimates for 1979. P Dividend and yield based on prospectus or other official estimates for 1977. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date. ‡‡ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 22

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £400 per annum for each security

REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

Stock	Price	+ or —
Albany Inv. 20p	23	......
Ash Spinning	45	......
Bertam	26	+6
Bdg'wtr. Est. 50p	282	-1
Clover Croft	22	......
Craig & Rose £1	410	......
Dyson (R. A.) A.	41	......
Ellis & McHdy	62	-3
Evans F'r'k 10p	57	......
Evered	15¼	......
Fife Forge	47	......
Finlay Pkg. 5p	20xd	......
Graig Ship. £1	180	+10
Higsons Brew.	80	......
I.O.M. Stm. £1	147	......
Holt (Jos.) 25p	255	......
N'thn. Goldsmith	54	......
Pearce (C. H.)	129	......
Peel Mills	18½	+1½
Sheffield Brick	45	-1
Sheff. Refrshmt.	51	......
Sindall (Wm.)	83	......

IRISH

Stock	Price	+ or —
Conv. 9% '80/82	£95½	......
Alliance Gas	75	......
Arnott	290	......
Carroll (P.J.)	92	......
Clondalkin	91xd	......
Concrete Prods.	128	......
Heiton (Hldgs.)	43	......
Ins. Corp.	280	......
Irish Ropes	132	......
Jacob	65	......
Sunbeam	29xd	......
T.M.G.	190	......
Unidare	82	......

OPTIONS

3-month Call Rates

Industrials					
A. Brew	6½	I.C.I.	23	Tube Invest.	30
A.P. Cement	18	"Imps"	7	Unilever	40
B.S.R.	9	I.C.L.	20	Utd. Drapery	7½
Babcock	10	Inveresk	7	Vickers	15
Barclays Bank	25	KCA	5	Woolworths	6
Beecham	38	Ladbroke	17	**Property**	
Boots Drug	15	Legal & Gen.	14	Brit. Land	3¾
Bowaters	16	Lex Service	7	Cap. Counties	5
B.A.T.	24	Lloyds Bank	22	E.P.	5
British Oxygen	6	"Lofs"	5	Intreuropean	4
Brown (J.)	20	London Brick	5	Land Secs.	18
Burton 'A'	13	Lonrho	7	MEPC	12½
Cadburys	5	Lucas Inds.	25	Peachey	10
Courtaulds	10	Lyons (J.)	13	Samuel Props.	10
Debenhams	10	"Mams"	7	Town & City	2
Distillers	13	Mrks. & Spncr	11	**Oils**	
Dunlop	8½	Midland Bank	25	Brit. Petroleum	35
Eagle Star	11	N.E.I.	20	Burmah Oil	7
E.M.I.	18	Nat. West Bank	22	Charterhall	3½
Gen. Accident	17	Do. Warrants	10	Shell	28
Gen. Electric	18	P & O Dfd.	10	Ultramar	22
Glaxo	40	Plessey	9	**Mines**	
Grand Met.	9	R.H.M.	5	Charter Cons.	12
G.U.S. 'A'	18	Rank Org. 'A'	18	Cons. Gold	20
Guardian	18	Reed Intl.	14	Rio T. Zinc	16
G.K.N.	22	Spillers	4		
Hawker Sidd.	20	Tesco	4		
House of Fraser	12	Thorn	22		
		Trust Houses	15		

A selection of Options traded is given on the London Stock Exchange Report page

HINE connoisseurs' cognac

FINANCIAL TIMES

Saturday April 8 1978

STRATHSPEY
100% Highland Malt Whisky
"Togaidh E Suas Ur Misneachd"

MAN OF THE WEEK

New life for the Old Lady

BY TONY ROWLEY

"ENTREPRENEUR rather than a banker" was how one of his close associates described Michael Sandberg this week after the new chairman of the Hongkong and Shanghai Banking Corporation had steered through a deal representing the biggest banking takeover by foreign interests in U.S. history.

It was Sandberg who conceived the plan to launch the hitherto rather sedate Hongkong bank—known simply and rather grandly here as "The Bank"—on a surprisingly adventurous acquisition trail which looks like ending in control of Marine Midland Bank Inc., of Buffalo, New York.

Some people in this British colony think it rather unseemly for the "Old Lady of Queens Road Central" (where the quasi Central Bank is headquartered in the heart of Hong Kong's business district) to have done anything so brash as to venture into the domain of cityslicking bankers in New York.

Few people expected of Sandberg, when the former cavalry officer took over the chairman-

Michael Sandberg
"At home with power"

ship of the bank from Guy Sayer last September that he would emerge as a tycoon.

Senior colleagues say of the 50 years old Sandberg that he is "at home with power." Yet he is a man who likes to dissemble his now emerging entrepreneurial talents and drive beneath a rather unfashionable cloak of old-school amateurism. That sort of thing goes down rather well in "The Bank" however.

Sandberg told an American correspondent here last September that he did not expect his tenure as chairman to lead to any radical departures in the policies of the bank. It would be "odd to start changing a pretty successful formula," he said then, rather phlegmatically.

Shortly after taking over as chairman, Sandberg asked Warren D. Chinn, senior vice-president of management consultants Booz Allen and Hamilton, for an appraisal of the U.S. banking system and on how the Hongkong bank might get a firmer toehold there. The bank has been in America since 1955, through the Hongkong Bank of California, although intense competition in that overbanked west coast state and hassles with the California tax authorities are something the bank would probably prefer not to talk about.

"You can't turn your back on the U.S. economy at any time," Sandberg was quoted as saying on his current New York trip to finalise the Marine Midland acquisition. If the Hongkong bank is now turning its back on the west coast—it will have to divest the California subsidiary now by law—its chairman clearly has high hopes of the east coast.

Sandberg makes little secret of the fact that he regards the internationalised American banks as "more progressive" than the regionally-specialised British banks. Some analysts here question, however, whether the HKSBC might not be getting into bed with an American partner which was a bit too progressive for its own good, and ran up some hefty losses as a result.

Sandberg and "Ed" Duggy, chairman of the Marine Midland Bank holding company are friends from before the present courtship, so there should be few problems of getting on at the top, even if some people question the scope for Synergy benefits lower down.

Of his chairman, who joined the bank in 1949 after service with the 6th Lancers (Indian Army) and the 1st Kings Dragoon Guards—Sandberg was appointed a general manager only in 1971—one colleague notes he is "good at equity situations." If this rather cryptic comment is shorthand for saying he is keen on takeover situations then Europe will very likely be where the former Lancer makes his next thrust. The bank is looking for suitable marriage partners in Britain or Germany it is thought, although probably via a share exchange this time rather than a cash takeover.

Tories unveil plans to curb immigrants

BY RUPERT CORNWELL

THE CONSERVATIVES yesterday unveiled their long-awaited proposals to curb immigration, including a register of dependants followed by a quota system of entry, and a virtual ban on male fiancés.

The tough-sounding measures acclaimed by party workers at the Conservatives' Central Council meeting in Leicester, were presented by Mr. William Whitelaw, Opposition Home Affairs spokesman, as an agreed package to heal the divisions within the party on immigration between liberals and right-wingers.

But they clashed head-on with Labour's policies, set out by the Government this week. Immigration is thus certain to be a constant flashpoint between the two major parties between now and the election.

Mr. Chris Gent, chairman of the Young Conservatives, yesterday attacked the quota system as pointless, now that immigration was decreasing. He also accused some Tory spokesmen of playing into Labour's hands with their "loose words."

'Finality'

In fact, much ambiguity remains. Just how severe the programme will be depends on the size of the quota fixed by a future Conservative Home Secretary.

A Tory spokesman yesterday said only that the quota would be broken down by countries to avoid discrimination.

The main points of the package, which Mr. Whitelaw described as "tough but fair," introducing "certainty and finality" into Tory plans so that public anxiety might be ended, are:

● A register of dependants from the Indian sub-continent for which application would have to be made within one year. This would be followed by a quota governing entry from all countries.

● An end to Labour's concessions over the entry of male fiancés. Parents, grand-parents and children over 18 would be allowed in only on compassionate grounds.

● Tougher curbs on immigrant workers from all countries (except from the EEC). Temporary workers would not be allowed in future to settle permanently.

● A new British Nationality Act, primarily aimed at keeping out a mass inflow from Hong Kong, should China exert pressure on the colony.

● A clamp-down on illegal immigrants and over-stayers. No more amnesties would be granted and an inquiry would be set up into possible internal controls, as recommended by last month's report by a Commons Select Committee.

Mr. Whitelaw pledged that the programme would be carried through by a Conservative Government "with humanity and an understanding for the needs and aspirations of all our people."

Philip Rawstorne writes: The Tory immigration policy was based "on narrow party advantage rather than the broad interests of the whole community," Mr. Roy Hattersley, Prices Secretary, said in Leamington.

It showed "a desire to build political success on the fears and anxieties of some of our citizens."

Immigration numbers were small and would continue to decline. "What we ought to be talking about now is improving conditions in the areas into which the immingrants came in the 1950s and 1960s."

Humanity

Lord Avebury, Liberal spokesman, said last night that by "denying the principle" of family unity, the policy conflicted with the European Convention of Human Rights.

Different rules for husbands and male fiances was contrary to the spirit of the Sex Discrimination Act, and the proposed register of dependants for India and Pakistan was overtly discriminatory, he added.

The Commission for Racial Equality said: it deplored the "severity of the immigration proposals—particularly the suggestion of a register confined to the Indian sub-continent.

● Civil estimates published yesterday allocate £17.5m. for administration of the immigration control service in 1978-79, about £80,000 less than last year.

Lonrho to by-pass SUITS directors

BY ANDREW TAYLOR

LONRHO last night decided to go over the heads of Scottish and Universal Investments' directors who voted to reject its bid approach and put the same offer—which values the company at £39m.—direct to SUITS' shareholders.

On Thursday the SUITS Board rejected Lonrho's approach by three votes to two. Sir Hugh Fraser, deputy chairman, and Mr. James Gossman, an executive director, being the minority voting in favour of the deal.

Lonrho is bidding 11 of its shares, which yesterday fell 3p to 69p, for every six SUITS shares—which, requoted after being suspended at 107p, rose 5p to 112p. On last night's prices the deal values SUITS' shares at 126½p.

The SUITS' Board, backed by its financial advisers, merchant bankers Charterhouse Japhet and stockbrokers Grieveson Grant, had rejected the approach because they said it undervalued the company and did not include a cash offer.

Lonrho, headed by Mr. Roland "Tiny" Rowland, said yesterday that in the light of the SUITS' Board's decision it "believes that it is proper that the shareholders of SUITS should have the opportunity of considering the offer for themselves."

Reluctance

Mr. Rowland, who is also chairman of SUITS, and two other Lonrho directors who are members of the SUITS' Board, did not take part in Thursday's Boardroom vote.

Lonrho could still face opposition from institutional shareholders—holding around 13 per cent. of the SUITS equity—who may be reluctant to accept a paper offer given the current rating of the Lonrho shares.

Most of the institutions approached yesterday said there was insufficient information to make a professional judgment of the terms but indicated that they might be disenchanted if an offer did not contain a cash element.

Mr. Paul Spicer, a Lonrho director, pointed out that Lonrho had already paid a large slice of cash to achieve its current 29.24 per cent. stake in the company —including £7m. paid to Sir Hugh Fraser (at 95p a share) for his 24 per cent. stake in SUITS.

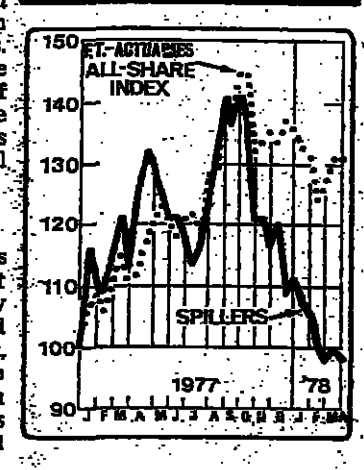
The group said it was convinced that a merger would be to the mutual benefit of shareholders of both companies. Offer documents would be posted to shareholders as soon as possible.

THE LEX COLUMN

Drastic action by Spillers

Ahead of next week's Budget the financial markets have continued to move quietly. Trading in equities has remained thin and the FT index has only risen 8 points in the last four weeks. Meanwhile, gilts continue to be worried by the prospect of higher interest rates and the very low level of applications at yesterday's Treasury bill tender underlined these fears.

Index fell 4.3 to 467.1



Spillers

The social and financial costs of Spillers' decisio to get out of the baking industry are very grave. But if the decision had been deferred for much longer, the future of the whole group could have been placed in jeopardy. As it is, Spillers is left with a much smaller and more highly geared asset base, but the millstone of baking losses—£9m. in 1977-78—has been removed.

A third of the business is being sold to Ranks Hovis and Associated British Foods at book value £15.5m. But the receipts will be swallowed up by the cash cost of closing down the rest of the baking side, which will come to £16m. And since Spillers' total baking assets are in excess of £30m., there will presumably have to be further write downs.

No balance sheet details are yet available, but at a guess net worth may have fallen to roughly £50m., excluding £16m. of goodwill, while total borrowings could be in the region of £70m. The trustees of the loan stocks have approved the changes, but it is small wonder that the final dividend has been slashed.

Spillers now has to trade its way back to financial equilibrium and the omens look reasonably fair. Last year's profits of "not less than" £8m. were depressed by the meat side as well as by baking losses. Since the group hopes that its milling profits can be more or less maintained, an annual profits rate of £15m. or more may now be feasible. But the way ahead is risky, and there is little short term scope for a market capitalisation of £41m. and a yield of 7½ per cent. at 27½p.

It is a different story for Ranks Hovis and AB Foods. The capacity of the plant bakers has been cut by about a tenth, and cannot be far out of balance. AB Foods is already beginning to move back into profits on baking after the recent price rise. Its overall performance in the year just ended was probably uninspiring, but the underlying trend in its overseas territories is recovering, and the shares could be on a p/e for 1978-79 of, say, 5.

Volkswagen

Volkswagen's DM900m. (£238m.) rights issue is almost certainly Germany's largest ever, and although it has been expected for some months its timing is slightly opportunistic. VWs' profits have been recovering sharply for the last couple of years (the 1977 figures will be announced later this month) and the share price has amply reflected the fact. Unfortunately, there are signs that the European car boom is starting to tail off so VW clearly wanted to get in while the going was good.

Along with its ambitious U.S. investment programme VW has committed itself to spending DM6bn. (£1.6bn.) between now and 1980 and cannot finance this sort of investment internally.

Linfood/Wheatsheaf

Predictions that the supermarket "price war" would accelerate rationalisation in food retailing are borne out by Linfood's £34m. agreed bid for Wheatsheaf Distribution and Trading. Spar and VG, the wholesale franchises of independent retailers, dominated rspectively by Linfood and Wheatsheaf, have both sustained declines in their market shares since the price-cutting started. In addition, Wheatsheaf's profits have suffered from the heavy initial costs of its venture into the Carrefour hypermarkets. On top of all this, there would have been succession problems in top managemen Wheatsheaf, where the man, Mr. Aylett Moore, i to retire next year.

Wheatsheaf is the larg the two groups, with a sales probably runnin £450m., against maybe for Linfood. The term around 208p. per Wheat share, represent a hefty mu of 9½ times Wheatsheaf's reported earnings. And may well be knocked much as 50 per cent. whe 1978 figures come out. Wi adding in deferred tax am ing to £8.7m. in the last ba sheet, shareholders' fun Wheatsheaf total about before this year's retention the Board promises th property revaluation—inclu the prime, though not yet profitable chain of five h markets—will make the per share figure more in with the price being paid.

BOC/Airco

Executives at BOC national were hardly dari hope yesterday that all hassle with Airco might have been amicably settled the acceptance by the Board of a $50 a share off BOC for the whole of remaining equity, matchin mooted terms from M Marietta, leaves BOC at seeing clear daylight a Meanwhile the speedy exit the scene of Martin Ma makes life easier for BOC it enhances the suspicions its true role in this ta affair.

So has BOC allowed its be pushed to too high a for Airco? The $400m. paying to increase, in se bites, its stake from original 34 per cent (w cost just $80m.) is withi $400m. or so credit line up with a number of U.S. b while Airco's forecast $1 pre-tax income for 1978 allow a generous margin financing costs. But BO paying slightly over book worth, and will be takin board not just $400m. of borrowings but also Ai existing $230m. or so consolidated debt could em at some £500m. against sh holders' funds of £450m. or An early matter for exam tion by BOC could therefor the scope for a revaluation least for group balance s purposes, of Airco's assets.

BOC to make $280m. agreed bid for rest of Airco stock

BY STEWART FLEMING

NEW YORK, April 7.

BOC INTERNATIONAL appears to have won complete control of U.S. industrial gases producer Airco with the announcement today that it will make a $280m. agreed offer for the 46 per cent. of Airco's stock it does not already own.

The agreement ends months of wrangling between the two companies—going back to a court ruling in the middle of last year —about how their partnership should develop.

Assuming everything goes smoothly the Board agreement launches BOC into the front rank of industrial gas producers in terms of both size and geographic coverage. It will enable BOC to compete more vigorously with such rivals as the Linde division of Union Carbide, the international chemical concern, and with Air Liquide, the French gases company.

At a board meeting last ing into the early hours of the morning the Airco directors, including the three BOC directors on the Airco Board, voted unanimously to approve a proposal by which BOC will make a tender offer of $50 a share for the Airco shares it does not own. It will pay an additional $7 a share to Airco shareholders who earlier this year tendered 1.8m. shares of Airco to BOC, taking its stake in Airco to 49 per cent.

The Board agreed not to approve a rival bid launched by the U.S. aerospace and aluminium group Martin Marietta. It had said that subject to certain conditions it was ready to offer $50 a share for Airco, too.

Martin Marietta said to-day it had no intention of getting into a bidding war for Airco and dropped out of a race which many Wall Street analysts believed it never had much chance of winning.

There was speculation to-day about what management changes BOC might make once it had complete control of Airco. Some suggested that BOC would move cautiously so as not to inflame the strained relations between the two groups of executives, but it was likely that Mr. George Dillon, the Airco chairman, would have to make way for a BOC director.

The cost to BOC of increasing its stake in Airco from the 34 per cent. it secured in 1973 to the 100 per cent. level is close to the $400m. line of credit it arranged in the autumn of last year, when negotiations about its relationship with Airco started to move ahead.

Its average cost for Airco is likely to be about $40 a share, just less than 11 times 1978 projected earnings on the forecasts which have been made.

U.K. airline plans to buy Boeings

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BRITISH AIRWAYS is expected to recommend to Mr. Edmund Dell, Secretary for Trade next week that it be allowed to buy up to 20 Boeing 737 short-haul jet airliners, seating up to 120 passengers each, as replacements for its ageing Trident One and Two jet airliners. The cost of such a deal, would exceed £100m.

The arline's Board is understood to have approved the Boeing 737 plan at its monthly meeting yesterday as part of a long-term strategy to replace up to 100 aircraft in the fleet by the mid-1980s at a cost of more than £2bn.

The plan includes further purchases of Boeing 747s for long-range work, and more Lockheed TriStars for medium- to long-haul operations. It includes the procurement of a new fleet of 160-180/seater jets to replace Trident Three jets in the mid-1980s.

For this 160-plus seater aircraft, British Airways is interested in the proposed new Boeing 757 twin-engined short-to-medium range jet, which would use two Rolls-Royce RB-211 Dash 535 engines, each of 32,000 lbs. thrust. It might need more than 30 of these aircraft.

But this does not preclude the possibility of buying other types of aircraft. British Airways will study the proposed Joint European Transport programme.

News Analysis Page 4

Weather

SUNNY periods, some rain. Temperatures near normal.

London area, S.E. and Cent. Southern England, Midlands, N.W. England

Dry, cloudy, with sunny periods. Max. 11C (52F).

E. Anglia, E. England and Cent. Northern England

Dry, bright or sunny intervals. Max. 10C (50F).

Channel Is., S.W. England, Wales

Dry, sunny periods. Max. 12C (54F).

Lake Dist., Isle of Man, N.E. England, Borders and S.W. Scotland

Cloudy, occasional rain later. Max. 10C (50F).

Edinburgh, Dundee, Aberdeen, Glasgow, Moray Firth, Argyll areas, Cent. Highlands, N.E. Scotland, N. Ireland

Cloudy, brighter with showers later. Max. 10C (50F).

N.W. Scotland and Orkney

Sunny intervals and showers. Max. 7C (45F).

Shetland

Sunny intervals and showers. Max. 5C (41F).

Outlook: Sunny intervals and showers.

BUSINESS CENTRES

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Amstrdm.	F	9	48	Luxmbrg.	S	7	45
Athens	C	18	64	Madrid	F	12	54
Bahrain	S	24	74	Manchstr.	C	7	45
Barcelona	C	15	59	Melbourne	F	17	63
Beirut	S	19	66	Milan	F	11	52
Belfast	C	7	45	Montreal	C	1	34
Belgrade	C	10	50	Moscow	C	2	36
Berlin	S	9	48	Munich	S	7	45
Birmghm.	C	7	45	Newcastle	C	7	45
Bristol	F	9	48	New York	S	8	46
Brussels	S	9	48	Oslo	F	10	50
Budapest	S	10	50	Paris	S	10	50
B. Aires	S	15	59	Perth	F	23	74
Cairo	S	28	82	Prague	S	7	45
Cardiff	F	9	48	Reykjavik	Sn	4	39
Chicago	S	18	64	Rio de J'o	C	30	86
Cologne	F	11	52	Rome	R	13	55
Copnhagn.	C	7	45	Strasbrg.	S	10	50
Dublin	C	7	45	Singapore	S	31	87
Edinburgh	F	9	48	Stockholm	F	8	46
Frankfurt	S	10	50	Sydney	C	23	74
Geneva	S	9	48	Tehran	S	22	72
Glasgow	F	11	52	Tel Aviv	S	19	66
Helsinki	S	4	39	Tokyo	S	15	59
H. Kong	S	18	64	Toronto	S	6	43
Jo'burg	C	20	68	Vienna	S	7	45
Lisbon	C	13	55	Warsaw	C	6	43
London	F	9	48	Zurich	S	7	45

HOLIDAY RESORTS

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Ajaccio	C	14	57	Jersey	S	8	46
Algiers	R	12	54	Las Plms.	F	19	66
Biarritz	F	10	50	Locarno	F	11	52
Blackpool	C	8	46	Majorca	R	13	55
Bordeaux	F	13	55	Malaga	F	13	55
Boulogne	S	8	46	Malta	S	19	66
Casblnca.	T	16	61	Nairobi	R	21	70
Cape Tn.	R	18	64	Naples	C	18	64
Corfu	C	19	66	Nice	F	17	63
Dubrovnik	R	16	61	Nicosia	F	19	66
Faro	F	13	55	Oporto	C	11	52
Florence	C	11	52	Rhodes	C	18	64
Funchal	C	17	63	Salzburg	S	10	50
Gibraltar	C	15	59	Tangier	C	11	52
Guernsey	F	7	45	Tenerife	F	13	55
Innsbruck	F	12	54	Tunis	C	19	66
Inverness	C	7	45	Valencia	R	12	54
Is. of Man	C	8	46	Venice	F	12	54
Istanbul	R	8	48				

S—Sunny. R—Rain. F—Fair. C—Cloudy. Sn—Snow. T—Thunderstorm.

Tyneside may build £100m. cruiser

By Ian Hargreaves, Shipping Correspondent

SWAN HUNTER, the Tyneside shipbuilder, appears to be on the point of recovering its "preferred company" status within British Shipbuilders and with it an order worth over £100m. from the Royal Navy.

The Navy has been anxious to place a so-called involvement contract for its third through-deck cruiser with Swan Hunter for some months, but was told this was out of the question until the company solved the labour problems which led to its exclusion from the £115m. Polish merchant ships order earlier this year.

In the last week, significant strides have been made towards dealing with these problems. On Tuesday, the group's boilermakers voted in favour of a common wages agreement already accepted by other sections of the workforce.

This agreement, which is designed to end a decade of squabbling about differentials and job flexibility, was laid before the Central Arbitration Committee in London for ratification yesterday and should be approved within a few days.

It is assumed that the agreement will allow the Swan Hunter shop stwraedt sosl n Hunter shop stewards to sign the type of good behaviour declaration which British Shipbuilders demanded from all the yards granted a share in the Polish contract.

A similar guarantee will almost certainly be required from the company given the through-deck cruiser order, although this will be placed directly by the Ministry of Defence.

The award of the contract to Swan Hunter, which is already working on the Navy's second through-deck cruiser, Illustrious, could safeguard up to 3,000 jobs on Tyneside, although most yards will remain desperately short of work.

Leyland workers reject incentives

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

LEYLAND CARS' manual workers have voted by more than 2—1 to reject the company's planned incentive scheme which offered the prospect of up to £8 a week bonus.

The rejection is a setback to the company's efforts to use financial incentives to help improve lagging productivity levels. It will strengthen the hand of shop stewards who have campaigned against the deal and pressure will now be on management to come forward with an alternative scheme.

Returns from the postal ballot showed 21,759 in favour of the scheme, 46,106 against, with nearly 30,000 employees not voting.

Vindicated

The company resorted to a ballot after failure to reach agreement with the unions in more than three months of negotiations.

Mr. Grenville Hawley, Transport and General Workers' Union national secretary for the automotive industry, said the shop-floor response vindicated the negotiators' opposition to the deal.

The proposed scheme was too complicated and remote from the workers to have offered a real incentive, he said. It also raised fears of redundancies in addition to the 12,500 reduction in the labour force that Mr. Michael Edwardes, the British Leyland chairman, has said will be necessary this year.

In a brief statement, British Leyland Cars said the rejection would not affect the company's business plans for the present year, or long-term plans for achieving higher productivity.

The business plan is believed to indicate the need for a net loss of about 10,000 jobs this year. A productivity drive is already under way, particularly at the volume car plants at Cowley, Oxford, and Longbridge, Birmingham.

However, Mr. Hawley cast doubt on whether the company could achieve its efficiency aims without offering some form of financial reward. "One thing is certain: our people will want a share of any productivity gains," he said.

Continued from Page 1

Living

It is no telear how long this improvement will last in view of the slow rise in profits expected this year and the increased demand for finance as a result of the likely rise in investment.

Last year, dividend payments rose by 17 per cent. to £2.2bn. This was more than the 10 per cent. rise ayear normally allowed because of the exemptions given to companies making rights issues and in certain other cases, such as bids.

The total volume of fixed investment last year was lower in real terms than at any time since 1967. However, the per cent. fall to £9.07bn. (at 1970 prices) concealed marked differences between the sharp decline in the public sector and the slight increase in the privat esector.

Continued from Page 1

N-bomb

up of both nuclear and conventional armaments."

● In Vladivostok President Brezhnev accused the U.S. of "indecision" and "inconsistency" in the SALT talks, and said progress was being delayed for political reasons as the U.S. administration attempted to appease those who wanted "an uncontrolled missile - nuclear arms race."

Mr. Brezhnev said that given awareness of the importance of the problem and a genuine desire on both sides, it was possible to reach agreement on a new SALT pact.

He said "outstanding question" in the negotiations could not be solved without "the U.S. making steps to meet us halfway." He added: "We do not see such steps of late."

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